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The Chronicle.

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THE PRESIDENT'S MESSAGE AND THE FINANCIAL DOCUMENTS.

In their financial aspects the President's Message and the accompanying reports have been subjected to a searching and severe scrutiny throughout the country. The critical condition of our national industry, the transition of our monetary system towards specie payments, the funding of the debt at a lower rate of interest, the enforcement of governmental economy and administrative reform, have taken so deep a hold of the public mind that the documents before us are to be tried by a higher standard than those of previous years. How far the Treasury reports are able to pass this ordeal our readers must judge for themselves. The reports of the Secretary of the Treasury and of the Comptroller of the Currency are voluminous, and will be found in another part of this issue. To them we devote so much of our

space that we must refrain for the present from any detailed examination.

General Grant's Message offers several noteworthy features. It is distinguished by its suggestive illustrations of the energy with which our citizens are devoting themselves to the study of economic science. This is one of the most hopeful symptoms of the present crisis. It is no secret to those who have opportunities of conversing with the President or his numerous circle of acquaintances and correspondents that, for years past, some of them have been ardent students of financial history, monetary science and political economy. Letters are occasionally allowed to see the light, of whose vigorous style of thought and expression we are reminded by the opening paragraphs of this year's Message, in which a brief and graphic sketch is given of the productive growth of the nation during the last century. It is a significant commentary on this historical survey of the national industry that our export of certain manufactures is just beginning to attract public attention in England, in France, in Continental Europe, and even in the distant colonies of Australia.

As to the financial statements of the Message, they are brief, pertinent and sound. After recapitulating the Budget figures, as given in the report of the Secretary of the Treasury, the President takes up the subject which is the most prominent in the public mind at present, that of specie payments. The recommendations offered for the consideration of Congress, with a view to facilitate resumption, are as follows:

1. A repeal of so much of the Legal-Tender Act as makes these notes receivable for debts contracted after a date to be fixed in the act itself—say not later than the 1st of January, 1877. We should then have quotations at real values, not fictitious ones. Gold would no longer be at a premium, but currency at a discount. A healthy reaction would set in at once, and with it a desire to make the currency equal to what it purports to be. The merchants, manufacturers and tradesmen of every calling could do business on a fair margin of profit, the money to be received having an unvarying value. Laborers and all others who work for a stipulated pay or salary would receive more for their income, because extra profits would no longer be charged by the capitalist to compensate for the risk of a downward fluctuation in the value of the currency.

2. That the Secretary of the Treasury be authorized to redeem, say not to exceed \$2,000,000 monthly of legal-tender notes, by issuing in their stead a long bond bearing interest at the rate of 36 5-100 per cent. per annum, of denominations ranging from \$50 to \$1,000 each. This would in time reduce the legal-tender notes to a volume that could be kept aloft without demanding redemption in large sums suddenly.

3. That additional power be given to the Secretary of the Treasury to accumulate gold for final redemption, either by increasing the revenue, curtailing expenses, or both. It is preferable to do both, and I recommend that a reduction of expenditures be made wherever it can be done without impairing Government obligations or crippling the due execution thereof. One measure for increasing the revenue, and the only one I think of, is the restoration of the duty on tea and coffee. These duties would add probably \$18,000,000 to the present amount received from imports, and would in no way increase the prices paid for those

articles by the consumers. The articles are the products of countries collecting revenue from exports, and, as we, the largest consumers, reduce the duties, they proportionally increase them. With this addition to the revenue many duties now collected and which give but an insignificant return for the cost of collection might be remitted, and to the direct advantage of consumers at home. I would mention those articles which enter into manufactures of all sorts. All duties paid upon such articles go directly to the cost of the article when manufactured here, and must be paid for by the consumers. These duties not only come from the consumers at home, but act as a protection to foreign manufacturers of the same completed articles in our own and distant markets.

Some further suggestions are made by the President, which are summarized at the close of the message in the comprehensive principle that "Congress should enact such laws as will ensure a speedy return to a sound currency, such as will command the respect of the world." It is not necessary in this place to analyze the value, or to estimate the chances, of the plan of legislation offered by General Grant for supplementing the specie payment legislation of last session. One thing, however, is absolutely certain, the Treasury can not move any faster along the path of resumption than Congress chooses to move by legislation. Some persons have been rash enough to recommend that if Congress will not act in favor of resumption the Secretary should himself act. They say he should do various acts, and should claim dubious powers, so as to push forward the work of resumption without the aid of Congress. Such a policy, apart from its violation of constitutional principles, is forbidden by the letter and by the spirit of our legal tender legislation from 1862 to the present time. The responsibility of restoring specie payments rests ultimately upon Congress. It is in vain to attempt to elude their duty. The people hold Congress responsible, and General Grant has done a wise and timely act in presenting this responsibility of Congress in a bold, clear light. He shows that the duty of Congress in this matter of specie resumption is a present obligation that will not be thrust aside, but must be promptly met.

Finally, there is another point which is equally clear. If specie payments, as the nation desires, are to be resumed in 1879, and if Congress is responsible for the accomplishment of that great monetary reform, then two things by way of preliminary preparation are incumbent upon the national legislature. First, Congress must provide a coin balance of adequate dimensions for the redemption of the greenbacks when the time of redemption shall arrive; secondly, they must provide for the previous conversion of a part of a greenback aggregate into long bonds. Both these expedients are forcibly urged in the above quotation from the Message of the President, who recommends that the first be accomplished by the restoration of the tea and coffee tax; and the second by the issue of 3-65 per cents; not interconvertible bonds, but long permanent securities. By these and some other fit legislative expedients, President Grant is of opinion that the Treasury must be empowered by Congress during the present session to advance another step along the path of specie payments. If this be done, he thinks there is no doubt that the changes in our monetary system may be effected so as to complete a full resumption of specie payments three years hence, as appointed by law. In this opinion very high authorities coincide, both here and in Europe; and to the prevalence of this conviction in the financial circles, we may perhaps ascribe the general disposition on the part of our mercantile men to adapt their business to the coming changes, and the incipient improvement in the tone of public and private credit which has attracted some notice of late.

DEFENCE OF THE NATIONAL BANKING SYSTEM.

Mr. Bristow, in his report on the Treasury, calls attention to an argument in defence of the national banking system prepared by the Comptroller of the currency. The argument forms a conspicuous feature in the thirteenth annual report on the national banks which appears elsewhere in to-day's CHRONICLE. This part of the Comptroller's report will be read with special interest for several reasons. The national banking system is entering upon a new and very trying period of its development. The rapidity with which its past growth has been made, forbids the belief that some of its members may not be weak and unsound. Moreover, the enormous pressure to which, for the next two or three years, the great fabric of our banking system will be exposed, is sure to bring to light the weak members and to shake severely the unsound parts of the organism, if such there be. For these and for many other reasons, it is judicious in the Treasury officials to present to Congress and the country a clear, succinct sketch of the national banking system, and a defence of that system against the attacks which have been made upon it by the advocates of paper money.

It is worthy of remark that these attacks proceed chiefly, though not exclusively, from the camp of the inflationists. With few exceptions, the enemies of the banks are men who oppose that national policy of early resumption which may now be regarded as a vital part of our financial system. It is these men who desire to perpetuate an irredeemable currency and to multiply the financial mischiefs which paper money has fastened on the country for so many years; it is by these men, chiefly, that the recent attacks have been made against the national banks. And the explanation is obvious. In the system of redemption, which is a fundamental part of our banking system, the paper money men see an insurmountable barrier to their favorite project of unlimited issues of irredeemable greenbacks. When Mr. Chase first proposed the national banking system, "redemption," he said, was the central pivot on which the whole mechanism was intended to revolve. In his first report to Congress the new system was thus described: (1). A circulation of notes bearing a common impression and authenticated by a common authority; (2) the redemption of these notes by the banks to which they may be delivered for issue; (3) the guarantee of that redemption by two expedients—by the pledge of United States stock, and by an adequate provision of specie money, to be held in the vaults of the banks. On the 10th of December, 1861, this system was proposed by Mr. Chase, as Secretary of the Treasury, in his report to Congress. The advantages of these safeguards of redeemable bank notes he further expounded as follows:

"In this plan," he says, "the people in their ordinary business would find the advantages of uniformity in currency; of uniformity in security; of effectual safeguard, if effectual safeguard is possible, against depreciation; and of protection from losses in discounts and exchanges; while in the operations of the Government the people would find the further advantages of a large demand for Government securities, of increased facilities for obtaining the loans required by the war, and of some alleviation of the burdens on industry through a diminution on the rate of interest, or a participation in the profit of circulation, without risking the perils of a great money monopoly. A further and important advantage to the people may be reasonably expected in the increased security of the Union, springing from the common interest in its preservation, created by the distribution of its stocks to associations throughout the country as the basis of their circulation. The Secretary entertains the opinion that if a credit circulation in any form be desirable, it is in this. The notes thus issued and secured would, in his judgment, form the safest currency which this country has ever enjoyed; while their redeemability for all Government dues except customs would make them, whenever payable, of equal value as a currency in every part of the Union."

Fourteen years have elapsed since this plan was proposed, and during most of that time it has been in active operation. Under it we passed through an exhausting war, and we have since enjoyed several years of prosperity and peace. Abundant means are thus at hand for testing the efficiency of this banking system. It has not been limited to our commercial rich States alone. It has also been introduced into our agricultural, mining and manufacturing districts. We have tried it in our sparsely settled States and Territories, where economic development is imperfect and where capital is scarce; and we have carried it into the old rich districts of the country, where capital is abundant, where industrial life and financial activity have reached their highest maturity. In the North and in the South, on the Pacific coast and in the great plains between the Sierra Nevada and the Rocky Mountains, the national banking system has spread abroad its beneficent network of monetary unity and organization. After a dozen years or more of this diffusive growth and unification, it is quite right for the officers of the Treasury to set the national banking system right before the country, and to examine how far the attacks which have been made upon it have any validity or reasonable force.

Into the nature of these attacks we shall not now enter at any tedious length. The Comptroller's elaborate discussion precludes this necessity. One or two remarks are all that our space permits, and at the outset it is noteworthy that the objections brought against the national banking system are none of them new. They were urged in 1861, when the redeemable bank notes were first proposed and before the system was adopted by Congress. These objections, with others, have been repeated year by year, until the country, except during the recent greenback agitation, had almost ceased to pay them the compliment of a patient hearing. We may even go further, and say that the present objections by which the national banking stronghold is assailed are but a few surviving members of a once numerous host of troublesome objections. If the reader will examine the Comptroller's report for these objections, he will find that they do not turn upon any of the vital principles, to secure which the national banking system was originally set up. What are these principles? As Mr. Chase tells us in the above-quoted passage, they require a uniformity of the note issues all over the country; a redemption of bank notes on demand, so that the holders shall not be liable to loss; a guarantee for ultimate redemption by the deposit of United States bonds; and a guarantee of demand redemption by a reserve of specie or other legal tender money in the coffers of the issuing banks. Such are the main objects with a view to which the national banks were founded.

Beside these primary ends there were several other and subordinate purposes which we need not recapitulate, as they are familiar and notorious to every thoughtful citizen. What we wish to point out for special recognition is the fact that the foes of the national banking system have quite ceased to bring against that system, as they formerly did, the charge of falling short of any of these fundamental purposes. In this fact we have an implicit proof, of the highest value, that the purposes, for the accomplishment of which the national banking system was organized, have been fulfilled, and that the great expense at which it has been built up and kept in motion has on the whole been justified. Viewed in this light, the national banking system resembles in its history the English locomotive. Stevenson, Ericsson and their competitors were met with incredulity when

their machines were first projected. "These monsters of misapplied ingenuity will not work," said one clique of the objectors. "They will always be out of order," said another party. "They can never accomplish this or that or the other indispensable part of the work for which they are wanted," said a chorus of carping critics. And when every foe was put to silence by successful achievement, a new cry arose that "the machine would prove too costly." Now this is pretty much what has happened in the case before us. The antagonists of the national banks have ceased to rail against the safety of the banking machinery of the national system or to charge it with want of efficiency. Their argument now is that it costs too much.

We have no desire to underestimate the cost of the national banking mechanism. "All good things cost dear," says Sir Arthur Helps, "and good government costs very dear, get it how you will." We believe it is generally admitted that, during the war, the United States owed its exemption from panics, which were so liberally predicted by croakers at home and abroad, to the preventive virtues of our national banking system. If this belief be well founded, and if this were the only benefit conferred by that system, the machinery of the national banks would have been cheap had its cost during the first decade of its existence been twice as much as its enemies have ever estimated. But their estimates are greatly exaggerated. If proof were needed of this obvious fact, the Comptroller's report supplies it abundantly. The fallacy of nearly all the recent arguments against the national banks rests upon two egregious errors. First, the emoluments of the national banks and bank issues are overstated; and, secondly, the special charges and the heavy outlay attached by law to those emoluments are altogether ignored and lost sight of. Everybody knows what are the burdens and peculiar charges which are imposed on the banks. There is, first, a rate of taxation, local and federal, heavier than is imposed upon any other banking system in this country or in the world; while secondly, the banks have to keep an aggregate of cash reserves, whose minimum is enforced by law. These burdens are costly, but they either prevent panics and promote safe banking, or they produce other results beneficial to the community. If the foes of the national banking system would attack it with effect, they have two things to do. First, they must appreciate more accurately what is the precise sum which the national banking system actually costs the country. When they have arrived at an exact estimate and can tell how much the nation expends upon its vast and efficient mechanism of national banks, the way will be clear for them to show, if they can, that the system is not worth more than it costs.

A UNIFORM SPECIFIC DUTY ON SUGAR.

A special Washington dispatch to the *Times* newspaper, of the 8th instant, states that a delegation of sugar importers recently had an interview with Secretary Bristow, regarding sugar duties. They said "they understood him to advocate the polarization tests as against the Dutch standard of color, and to favor an *ad valorem* standard. They opposed both propositions, and advocated a single specific rate of duty, which would do away with all disputes about grades and standards. This, they claimed, would satisfy all parties in the sugar interest, and the rate might be fixed by Congress to suit the wants of the Government." The Secretary replied "that he had not

given much personal attention to the subject, but said Congress alone could change the tests, because they were distinctly named in the law."

Should Congress entertain this proposition of the importers for a single specific duty, we presume the rate would have to be fixed at about 2½ to 3c. per pound. Uniformity in the tax would certainly be a great convenience and, as a measure looking to the purification of the Customs Service, specific duties, when practicable, are, of course, always to be preferred. But such a change would, in this case, raise other disturbing questions, requiring, at the same time, to be adjusted. Thus, it would be claimed that the uniform rate discriminated largely against the bulk of consumers, the laboring and middle classes, while the well-to-do and rich would pay a proportionately light duty on what they use. On melado or tank bottoms, for instance, the tax would thus be something like 75 to 100 per cent., while white and refined would be but 50 to 55 per cent. Then again, refined sugar now pays five cents duty. If no discrimination were made in its favor, it might be urged that the European refiners would at once become formidable competitors in our own markets, and undersell our refiners by introducing their refined beet root sugars—a poorer article, that is, containing less saccharine matter and yet well looking, but which can be placed on the market at a lower rate.

Considered from this point of view, we see that there would be some difficulties in the way of immediately adopting this simple solution of the questions raised with regard to the sugar duties. On the other hand, the polarization standard appears reasonable and just, since it shows favor to none, and reduces the intrinsic value of sugar to the precise measure of its sweetening quality.

RAILROAD EARNINGS IN NOVEMBER, AND FROM JANUARY 1 TO DECEMBER 1.

Railroad returns for November show the first general and decided increase in earnings that has been seen for many months past. Several of the most prominent roads given in the table below show an increase in their gross receipts compared with November, 1874, which is not merely nominal, but forms a considerable percentage on the whole amount. Only two roads reporting can properly be classed among leading trunk lines to the West, whose earnings are expected to feel the stimulus of increased freight and passenger rates—these are the Ohio & Mississippi, and the Michigan Central, and the figures for both (excluding the new Springfield branch of the Ohio & Mississippi) are nearly the same as last year. The leading Western roads, Illinois Central, Northwest, and St. Paul, are conspicuous for their large increase. The Pacific roads, including Kansas Pacific, and Atlantic Pacific and leases, all show better figures than last year. As to Union Pacific, the company's own statement shows an increase of \$106,835, but as we always use the actual ascertained earnings of the previous year as a basis for comparison, whenever they are obtainable from annual reports or otherwise, the table below shows a small decrease; with the facts thus stated no party can be misled.

The much more favorable returns of the past month, and the reasonably encouraging prospect for the future, will be hailed with satisfaction by all holders of railroad securities.

RAILROAD EARNINGS IN NOVEMBER.				
	1875.	1874.	Increase.	Decrease.
Atlantic & Pacific.....	\$436,841	\$410,968	\$25,873	
Canada Southern.....	108,102	74,880	33,222	
Central Pacific.....	1,508,000	1,331,765	176,235	
Chicago & Northwestern..	1,319,335	1,063,786	255,549	
Chicago Mil. & St. Paul.....	927,000	694,350	232,750	

	1875.	1874.	Increase.	Decrease.
Cincinnati, Lafayette & Chic.*	27,589	30,319		2,730
Illinois Central.....	287,354	268,943	118,911	
Indianap. Bloom. & West.....	128,376	118,968	9,508	
International & Gt. Northern*	122,048	114,817	12,739	
Inter. Atl. & Gt. Northern*	235,703	215,847	19,856	
Keokuk & Des Moines.....	55,353	62,557		11,194
Michigan Central*.....	398,110	401,993		3,883
Mo. Kansas & Texas.....	299,013	279,943	19,070	
Ohio & Mississippi.....	337,356	298,575	28,681	
St. L. Alton & T. H. (branches)	50,494	46,990	3,504	
St. Louis, Iron Mt. & Southern	434,012	337,743	96,270	
St. L. Kans. City & Northern	230,686	231,176		490
St. Louis & Southeastern*	73,355	69,934	3,421	
Union Pacific.....	963,353	1,060,598		97,245
Total.....	\$3,415,337	\$7,587,940	\$383,579	\$55,300
Net increase.....			837,997	

* Three weeks only of November in each year.
† Included Missouri Pacific Railroad earnings.
‡ These figures include \$3,919, the earnings of the Springfield Division; earnings on the main line were \$295,337.

§ The approximate figures for November, 1875, are here compared with the actual figures for 1874. The comparison made in the statement issued at the company's office is as follows: Earnings November, 1875, \$983,353; 1874, \$976,518; increase, \$7,835.

GROSS EARNINGS FROM JANUARY 1 TO NOVEMBER 30.				
	1875.	1874.	Increase.	Decrease.
Atlantic & Pacific.....	\$2,939,312	\$4,610,320		\$1,671,008
Central Pacific.....	15,594,183	13,152,479	\$2,441,704	
Cin. Lafayette & Chicago*	355,661	403,050		47,389
Illinois Central.....	7,299,008	7,230,385	15,723	
Indianap. Bloom. & West.....	1,168,571	1,511,279		344,708
International & Gt. Northern*	1,106,181	1,084,918	20,263	
Kansas Pacific.....	3,607,059	3,699,196		92,137
Keokuk & Des Moines.....	741,918	635,463	106,456	
Mo. Kansas & Texas.....	2,637,329	2,626,812	10,517	
Ohio & Mississippi.....	2,866,357	2,006,946	859,411	
St. L. Alton & T. H. (branches)	506,653	506,534	119	
St. Louis, Iron Mt. & Southern	3,307,436	2,894,766	412,670	
St. Louis Kan. City & Northern	2,397,025	2,337,080	59,945	
St. Louis & South Eastern*	886,810	1,123,094		236,284
Union Pacific.....	10,902,386	9,668,720	1,233,666	
Total.....	\$56,634,688	\$54,077,531	\$2,557,157	\$1,731,415
Net increase.....			2,547,151	

* Three weeks only of November in each year.
† The figures for November include transfers in both years, while the figures for preceding ten months do not.

The following companies have recently reported their earnings for October:

GROSS EARNINGS IN OCTOBER.				
	1875.	1874.	Increase.	Decrease.
Canada Southern.....	\$150,000	\$108,000	\$42,000	
Houston & Texas Central..	407,435	311,101	96,334	
Michigan Central.....	671,874	751,596		79,722
Mobile & Ohio.....	219,804	242,607		22,803
Philadelphia & Erie.....	336,034	350,579		14,545
St. P. & S. C. & S. C. & St. P.	117,945	90,958	26,987	
Total.....	\$1,903,092	\$1,849,836	\$53,256	\$177,070
Net increase.....			\$53,256	

GROSS EARNINGS FROM JANUARY 1 TO OCTOBER 31.				
	1875.	1874.	Increase.	Decrease.
Mobile & Ohio.....	\$1,337,994	\$1,717,764		\$379,770
St. P. & S. C. & S. C. & St. P.	651,139	694,943		43,804

The earnings and expenses of the Houston & Texas Central Railroad for the month of October, are shown in the following statement:

	1875.	1874.
Earnings.....	\$407,435 94	\$311,101 40
Expenses.....	154,228 43	150,851 14
Net.....	\$253,206 81	\$160,250 26
The operating expenses of the Missouri Kansas & Texas RR for the month of October, were \$144,476, which shows the net earnings to have been \$168,886. The net earnings of the Philadelphia & Erie RR. for October, 1875, were \$130,385, showing an increase of \$90, as compared with the net earnings of \$119,385 in October, 1874.		
Earnings and expenses of the Louisville Cincinnati & Lexington Railroad (Short Line) for October are reported by the receiver as follows:		
Earnings.....		\$118,968 06
Operating expenses.....		78,077 14
Net earnings.....		\$40,890 92
Other expenses and liabilities.....		6,735 07
Net profit.....		\$34,155 85

Latest Monetary and Commercial English News

RATES OF EXCHANGE AT LONDON, AND ON LONDON AT LATEST DATES.

EXCHANGE AT LONDON—NOVEMBER 26.			EXCHANGE ON LONDON.		
ON—	TIME.	RATE.	LATEST DATE.	TIME.	RATE.
Amsterdam.....	short.	12.0% @ 12.1%	Nov. 26.	short.	12.05
Antwerp.....	3 months.	25.45 @ 25.50	"	3 mos.	25.35
Hamburg.....		20.50 @ 20.60	"	3 mos.	20.17
Paris.....	short.	25.13% @ 25.17%	"	3 mos.	25.15
	3 months.	25.45% @ 25.50			
Vienne.....		11.60 @ 11.65	Nov. 26.	3 mos.	11.35
Berlin.....		20.55 @ 20.60	"	short.	20.39
Frankfort.....		20.55 @ 20.60	"	3 mos.	20.15-16
St. Petersburg.....		31% @ 31%			
Cadiz.....		48 @ 48 1/2			
Lisbon.....	90 days.	24% @ 24 1/2			
Milan.....	3 months.	27.60 @ 27.65			
Genoa.....		27.60 @ 27.65			
Naples.....		27.60 @ 27.65			
New York.....			Nov. 26.	60 days.	4.84 1/2
Rio de Janeiro.....			Oct. 23.	90 days.	57 1/2
Bahia.....			Oct. 25.		57
Buenos Ayres.....			Oct. 15.		47 @ 48 1/2
Valparaiso.....					57 1/2
Pernambuco.....			Oct. 28.		57 1/2
Montevideo.....					
Bombay.....			Nov. 26.	3 mos.	1s. 9 1/2-10d.
Calcutta.....					1s. 10d.
Hong Kong.....			Nov. 18.		6s. 6d.
Shanghai.....			Nov. 18.		2s. 7 1/2d.
Penang.....					
Singapore.....					
Alexandria.....			Nov. 24.	3 mos.	58

[From our own correspondent.]

LONDON, Saturday, Nov. 27, 1875.

The feature of the week, both from a political and financial point of view, is the acceptance by the British Government of the Khedive of Egypt's offer to purchase his interest in the Suez Canal for £4,000,000. Parliamentary sanction has, of course, to be obtained; but, when we bear in mind that it is extremely important that our communications with the East should be unimpeded, there can be little doubt of the fact that the Government will obtain in Parliament and throughout the country plenty of support to the proposal. The step seems to be a bold one for English Ministers to take, but the uncertainty which exists regarding the future of Turkey, and the necessity which also prevails for this country to have a firm hold of the Suez Canal, are sufficient for any government to act promptly; and, no doubt, Mr. Disraeli has not been slow to take advantage of the opportunity which has presented itself. Continental nations have blamed us, and will continue to blame us, for withdrawing our support from Turkey; but, as we have fought a great war to maintain her integrity, and as we have lent her many millions of money, which she has squandered, while the Government has made no attempt to rule wisely and well, even after serious and repeated representations from the Great Powers of Europe, no surprise can be expressed that, in order to keep up our Indian communications, we should seize the opportunity of allying ourselves with a Power with whom our relations were becoming daily more important. The power of money is great; but, at the same time, it was wise that the Khedive should offer his shares in the Suez Canal to this country in preference to any other, as there can be no doubt that, as we value highly our Indian possessions, we shall, in case of necessity, make great sacrifices to defend and protect them. Continental nations know this; and it is the feeling of Ministers, as well as of the country, that the Turkish question is more of interest to Austria, Russia and Germany than to ourselves. It is not likely that we shall pursue an undignified course towards an old ally; but it is out of place to support a tottering State which has, during the last twenty years, had great advantages in the way of foreign help in money and advice, but which has been sadly mismanaged and reduced to a state almost of bankruptcy. The capital of the Suez Canal Company is divided into 400,000 shares, of which 177,000 shares are thus to be transferred to the British nation. The payment is to be made at once through Messrs. Rothschild, so that Parliament will have, in fact, to sanction a purchase which has already been made.

There has of course been considerable excitement throughout the country in consequence of this unexpected transaction. We have yet to hear what other nations think about it, but, whatever may be said, it is a political success, which well established the reputation of the present government, and it is pretty evident that it has originated with the acute Prime Minister. Foreign nations may think that we want to conquer Egypt, and it is possible that our denial will be unavailing. That we shall defend India and Egypt, to the full extent of our power, is quite certain, but the Turkish question will have to be left to be settled by Powers, whom we believe to be more interested in the matter than ourselves.

There has been no change in the Bank rate this week, the minimum quotation being still 3 per cent. The supply of money seeking employment has been increasing, and, were it not for the fact that Germany is still a buyer of gold, a reduction would, no doubt, have been made. In the open market, the rates of discount have had a downward tendency, the quotations being as under:

	Per cent.		Per cent.
Bank rate.....	3	4 months' bank bills.....	2½@3½
Open-market rates:		6 months' bank bills.....	3½@4
10 and 60 days' bills.....	2½@3½	4 and 6 months' trade bills.....	3 @3½
3 months' bills.....	2½@3½		

The rates of interest allowed by the Joint-stock banks and discount houses for deposits remain as under:

	Per cent.
Joint-stock banks.....	1½@2
Discount houses at call.....	2 @
Discount houses with 7 days' notice.....	2 @3
Discount houses with 14 days' notice.....	2 @3½

Annexed is a statement showing the present position of the Bank of England, the Bank rate of discount, the price of Consols, the average quotation for English wheat, the price of Middling Upland cotton, of No. 40 Mule yarn fair second quality, and the Bankers' Clearing House return, compared with the previous four years:

	1871.	1872.	1873.	1874.	1875.
Circulation, including bank post bills.....	24,256,265	24,081,332	25,193,800	26,151,036	27,085,972
Public deposits.....	7,524,743	8,190,235	8,181,689	4,473,783	3,593,768
Other deposits.....	21,021,685	19,081,821	18,783,882	17,836,567	20,855,123
Government securities.....	15,001,028	13,359,873	12,543,489	13,584,656	12,512,581
Other securities.....	16,904,985	19,496,266	18,883,097	17,456,187	18,104,828
Reserve of notes and coin.....	15,179,321	13,061,438	11,319,813	9,291,009	10,839,117
Gold and bullion in both departments.....	24,398,534	20,678,443	21,039,798	20,194,114	23,197,247
Bank-rate.....	3½ p. c.	6 p. c.	6 p. c.	5 p. c.	3 p. c.
Consols.....	93½	92½	93½	93½	95½
English wheat.....	55s. 10d.	58s. 9d.	61s. 1d.	43s. 6d.	47s. 6d.
Midd. Upland cotton.....	9 9-16d.	9½d.	7-16d.	7½d.	*6½d.
No. 40 mule yarn fair 2d quality.....	1s. 2½d.	1s. 2½d.	1s. 1½d.	1s. 6d.	*1s. 0d.
Clearing House return.....	20,214,000	20,413,000	23,496,000	23,752,000	21,887,000

* Prices Nov. 18.

The following are the rates for money at leading cities abroad:

	Bank rate.	Open rate.	market per cent.		Bank rate.	Open rate.	market per cent.
Paris.....	4	3½		Brussels.....	4½	4½	
Amsterdam.....	3	3		Turin, Florence and Rome.....	4½	4½	
Hamburg.....	5	4½		Leipzig.....	5	4½	
Berlin.....	5	4		Genoa.....	5	4½	
Frankfurt.....	5	4		Geneva.....	5	5	
Vienna and Trieste.....	5	5		New York.....		60@65	
Madrid, Cadiz and Barcelona.....	6	6		Calcutta.....	5½		
Lisbon and Oporto.....	4	3½		Copenhagen.....	6	6	
St. Petersburg.....	5½	5½		Constantinople.....	10		

There has been a moderate demand for gold for export, partly for France, but chiefly for Germany. Gold, however, has been returning from provincial circulation, and there has also been a return of notes to the extent of nearly half a million sterling. The proportion of reserve to liabilities at the Bank has, in consequence, increased from 43 to 43½ per cent. Silver is rather firmer. Annexed are the quotations:

		S. d.	s. d.
Bar Gold.....	per oz. standard.	77	9½
Bar Gold, fine.....	per oz. standard.	77	9½
Bar Gold, refinable.....	per oz. standard.	77	11½
Spanish Doubloons.....	per oz.		
South American Doubloons.....	per oz.		
United States Gold Coin.....	per oz.		
SILVER.....			
Bar Silver, Fine.....	per oz. standard.	56	11-10@56
Bar Silver, con'g 5 grs. Gold.....	per oz. standard.	57	3-10@57
Mexican Dollars.....	per oz.	55½	
Spanish Dollars (Carobas).....	per oz.	none here.	
Five Franc Pieces.....	per oz.		
Quicksilver, £11@£11 11s. per bottle.	Discount, 3 per cent.		

In the Stock Exchange the chief movement has, of course, been in Egyptian Government securities, which have greatly improved, owing to the altered position of the Viceroy, at all events, financially, if not politically. As, however, the political future has assumed a more uncertain aspect, there has been much cautious dealing during the last two days, and a tendency to depression has been strongly apparent. United States Government securities have been strongly in demand for investment, and in the early part of the week there was a decided upward movement in the quotations. Consols at one period of the week were as high as 95 11-16, but they have since become rather weaker.

The supplies of foreign wheat continue liberal, and, although the weather is much more wintry, there is no activity in the demand for any kind of produce. The tone, however, is considered firm for the better qualities of produce, there having been as yet no improvement in the condition of the English supplies. Dry cold winds are much wanted to improve the condition of the harvested corn, and there seem to be signs of an early winter. Very little progress has been made with autumn sowing, and, as the price of wheat is low, it is not thought likely that the farmers will make any further effort of importance to raise additional crops of winter wheat.

The following figures show the imports and exports of cereal produce into and from the United Kingdom since harvest, viz., from Sept. 1 to the close of last week, compared with the corresponding periods in the previous three years:

	1875.	1874.	1873.	1872.
Wheat.....cwt.	16,439,495	10,757,470	10,048,940	13,230,846
Barley.....	2,708,656	4,200,720	1,971,906	3,999,381
Oats.....	2,312,942	2,900,715	1,930,152	2,675,485
Peas.....	320,450	285,878	193,073	391,864
Beans.....	921,621	652,118	725,605	631,908
Indian Corn.....	5,334,117	3,079,239	4,499,859	5,944,454
Flour.....	1,427,942	1,163,637	1,319,485	1,456,368
EXPORTS.....				
Wheat.....cwt.	66,281	190,179	1,151,321	85,950
Barley.....	6,366	19,310	13,945	2,812
Oats.....	66,936	21,953	9,162	7,026
Peas.....	3,372	4,990	5,874	1,385
Beans.....	3,352	669	347	1,380
Indian Corn.....	7,569	31,241	49,941	5,452
Flour.....	3,915	20,731	52,360	5,777

The last official returns, which is for the week ending Nov. 20, shows that during that period only 40,283 quarters of English wheat were delivered in the 150 principal markets of England, against 48,011 quarters in the previous week, and 53,635 quarters in the corresponding week of last year. It is computed that in the whole Kingdom there were 161,000 quarters, against 235,000

quarters in 1874, showing a deficiency of 74,000 quarters. Since harvest, the sales in the 150 principal markets have been 583,711 quarters, against 753,398 quarters, or a falling off of 169,687 quarters, while in the whole Kingdom it is estimated that there have been 2,335,000 quarters, against 3,024,000 quarters, or a deficiency of 689,000 quarters. The following is an estimate of the supplies of wheat placed upon the British markets since the close of August:

	1875.	1874.	1873.	1872.
Imports of wheat since harvest.....	16,439,495	10,737,470	10,048,340	12,930,846
Imports of flour since harvest.....	1,427,912	1,163,687	1,349,485	1,466,368
Sales of Eng. wh. at since harvest.....	10,507,000	13,561,300	12,813,000	12,537,000
Total.....	28,374,407	25,462,457	24,110,725	26,934,214
Deduct exports of wheat and flour.....	70,865	120,913	1,303,881	91,227
Result.....	28,303,542	25,341,544	22,806,844	26,842,987
Average price of English wheat for the season.....	47s. 3d.	45s. 5d.	61s. 11d.	57s. 11d.

The public sales of colonial wool were commenced on Tuesday. There has, so far, been a large attendance of buyers, those from the continent being more numerous than usual. Australian wool has not materially altered in value, but some descriptions of Cape wool are rather cheaper. The arrivals for this series of sales comprise the following: Sydney and Queensland, 19,949 bales; Port Phillip, 10,011 bales; Adelaide, 1,794 bales; Swan River, 317 bales; Van Diemen's Land, 445 bales; New Zealand, 10,907 bales; Cape, 43,404—making 86,027 bales. About 8,000 bales of the above (200 Australian and 7,800 Cape) forwarded direct from ship to continent, Yorkshire, etc. Quantity held over from last sales estimated at about 15,000 bales.

Captain Tyler has recently presented to the Board of Trade his annual report on the general condition and working of the railway companies of the United Kingdom. The return is for last year, and it shows satisfactory results, the average dividend being nearly 4½ per cent. per annum on the total amount of capital expended. The report states that a total sum of £609,895,931 had been expended on 16,449 miles of railway, of which 8,749 were laid with two or more lines of rails, and 7,700 were single lines, at a cost of about £37,000 a mile. There were 11,935 locomotive engines, or about one to every mile and a half; and 379,899 vehicles, or about 23 per mile, besides great numbers of wagons, of which there is no means of forming an estimate, belonging to traders and companies other than the railway companies.

English Market Reports—Per Cable.

The daily closing quotations in the markets of London and Liverpool for the past week have been reported by cable, as shown in the following summary:

London Money and Stock Market.—The bullion in the Bank of England has decreased £283,000 during the week.

	Sat.	Mon.	Tues.	Wed.	Thur.	Fri.
Consols for money.....	94	93 13-16	93 13-16	93 13-16	93 13-16	93 13-16
" account.....	94	93 15-16	93 15-16	93 15-16	94 1-16	94
U. S. 6s (5-30s), 1865, old 108½	108½	108½	108½	108½	108½	108½
U. S. 10-40s.....	109½	109½	109½	109½	109½	109½
New 5s.....	104½	104½	104½	104½	104½	104½

The quotations for United States new fives at Frankfurt were: U. S. new fives..... 99½ 99½ 99½ 99½ 99½ 99½

Liverpool Cotton Market.—See special report of cotton.

Liverpool Breadstuffs Market.—

	Sat.	Mon.	Tues.	Wed.	Thur.	Fri.
Flour (Western).....	34 6	34 6	34 6	34 6	34 6	34 0
Wheat (Red W. n. spr.)... cwt	9 4	9 4	9 4	9 4	9 4	9 3
" (Red Winter)..... "	10 0	10 0	10 0	9 10	9 10	9 10
" (Cal. White club)..... "	11 2	11 2	11 2	11 2	11 2	11 0
Corn (W. mixed) ½ quarter	32 6	32 6	34 3	33 6	33 0	32 6
Peas (Canadian) ½ quarter	41 0	41 0	41 0	41 0	41 0	41 0

Liverpool Provisions Market.—

	Sat.	Mon.	Tues.	Wed.	Thur.	Fri.
Beef (mess) new ½ tce.....	92 6	92 6	92 6	92 6	92 6	92 6
Pork (mess) new ½ bbl.....	95 0	95 0	95 0	95 0	95 0	95 0
Bacon (l. c. mid. new) ½ cwt	56 0	56 0	55 6	55 6	54 6	54 0
Lard (American)..... "	57 6	57 6	57 6	57 6	57 6	57 6
Cheese (Amer'n fine)..... "	54 0	54 0	54 0	54 0	54 0	54 0

Liverpool Produce Market.—

	Sat.	Mon.	Tues.	Wed.	Thur.	Fri.
Rosin (common) ½ cwt.....	5 3	5 3	5 3	5 3	5 3	5 3
" (pale)..... "	16 0	16 0	16 0	16 0	16 0	16 0
Petroleum (refined) ½ gal.....	10½	10½	10½	11	11	11
" (spirits)..... "	6	6	6	6	6	6
Tallow (American) ½ cwt.....	44 6	46 6	46 6	46 6	46 6	47 0
Glucose (Am. red)..... "	50 0	50 0	50 0	50 0	50 0	50 0
Spirit turpentine..... "	25 0	25 0	25 0	25 0	25 0	25 0

London Produce and Oil Markets.—

	Sat.	Mon.	Tues.	Wed.	Thur.	Fri.
L. n. d. c. k. e. (obl.) ½ t 10 10	10 10	10 10	10 10	10 10	10 10	10 10
L. n. d. c. k. e. (Calc.) 51 0	51 0	51 0	51 0	51 0	51 0	51 0
Sugar (No. 12 D. ch. d.) 22 3	22 3	22 3	22 3	22 3	22 3	22 3
on spot, ½ cwt.....	22 3	22 3	22 3	22 3	22 3	22 3
Sperm oil..... ½ tan 95 0	95 0	95 0	95 0	95 0	97 0	97 0
Whale oil..... 34 0	34 0	34 0	34 0	34 0	34 0	34 0
Lined oil..... ½ cwt..... 25 0	25 0	25 0	25 0	25 0	25 0	25 0

Department Reports.

REPORT OF THE SECRETARY OF THE TREASURY.

TREASURY DEPARTMENT,

Washington, D. C., Dec. 6, 1875.

SIR: In obedience to law, the Secretary of the Treasury respectfully submits to Congress the following report on the subject of finance, embracing estimates of receipts and expenditures, and plans of revenue:

RECEIPTS AND EXPENDITURES FOR THE FISCAL YEAR ENDING JUNE 30, 1875.

The moneys received and covered into the Treasury by warrants, and the net expenditures by warrants, during the fiscal year ending June 30, 1875, were as follows:

Receipts.	Expenditures.
Customs.....	\$157,167,722 85
Internal revenue.....	110,007,493 58
Sales of public lands.....	1,413,640 17
Tax on circulation and deposits of national banks.....	7,368,379 16
Repayment of interest by Pacific Railway Companies.....	882,274 91
Customs' fines, penalties, &c.....	223,870 23
Labor, drayage, storage, &c.....	1,112,500 53
Sales of Indian trust lands.....	243,671 66
Fees—consular, letters patent and land.....	1,818,884 29
Proceeds of sales of government property.....	1,273,693 87
Marine hospital tax.....	338,893 74
Steamboat fees.....	260,944 75
Profits on coinage, &c.....	473,657 40
Tax on seal skins.....	317,494 75
Miscellaneous sources.....	1,228,649 98
Total ordinary receipts.....	\$384,029,771 41
Premium on sales of coin.....	3,979,279 63
Total net receipts, exclusive of loans.....	\$388,000,051 10
Balance in Treasury June 30, 1874, including deposits of coin and United States notes represented by certificates outstanding.....	150,731,694 63
Total available cash.....	\$438,731,745 73

This statement shows that the net revenues for the fiscal year ending June 30, 1875, were \$438,731,745 73. And the ordinary expenses (including the award to British claimants, \$1,929,819) were \$274,623,392 84.

Leaving a surplus revenue, exclusive of provision for the sinking fund..... \$164,108,352 89

By reference to the last annual report, page vi, it will be observed that the estimate then made was that the revenues for this fiscal year would reach the sum of \$284,318,285 99, and that the expenditures would amount to \$275,315,489 42.

RECEIPTS AND EXPENDITURES FOR THE FISCAL YEAR ENDING JUNE 30, 1876.

The receipts and expenditures during the first quarter were—

Receipts.	Expenditures.
Customs.....	\$44,233,636 25
Internal revenue.....	28,199,723 50
Sales of public lands.....	3,641 73
Tax on circulation, &c., of national banks.....	3,626,033 83
Repayment of interest by Pacific railways.....	262,2 87
Customs' fines, &c.....	28,521 75
Consular, patent, and other fees.....	510,427 19
Proceeds of sales of government property.....	104,273 65
Miscellaneous sources.....	1,722,408 90
Net ordinary receipts.....	\$78,995,869 67
Premiums on sales of coin.....	2,160,275 47
Total net ordinary receipts.....	\$81,156,145 14
Balance in Treasury, June 30, 1875.....	144,702,416 41
Total available.....	\$225,858,561 55

For the remaining three quarters it is estimated that the receipts and expenditures will be—

Receipts.	Expenditures.
Customs.....	\$12,000,000 00
Internal revenue.....	92,000,000 00
Sales of public lands.....	1,100,000 00
Tax on national banks.....	3,650,000 00
Re-imbursement by Pacific railways.....	350,000 00
Customs' fines, penalties and forfeitures.....	100,000 00
Consular, patent, and other fees.....	1,300,000 00
Proceeds of sales of public property.....	600,000 00
Miscellaneous sources, including premium on coin.....	5,200,000 00
Total net receipts.....	\$216,300,000 00

From the foregoing statement of actual receipts and expenditures, it will be seen that the net receipts for the first quarter of the fiscal year ending June 30, 1876, were \$81,156,145 14, and the net expenditures were \$78,995,869 67, leaving a surplus of \$2,160,275 47.

tures for the first quarter of the current fiscal year, and the estimates of the same for the remaining three quarters, based upon appropriations already made, and also on the assumption that Congress will not increase the expenditure by deficiency or other appropriations, it will be seen that, in the judgment of the Department, the revenues will reach the sum of \$297,456,145 14, and that the ordinary expenditures will amount to \$363,447,543 76. This exhibit gives a surplus revenue of \$29,008,601 38. Under existing laws it is estimated that \$32,293,692 32 will be required to be provided for the sinking fund for this year. If the statement, as here submitted, shall prove to be approximately correct, the revenues will fall short by the amount of \$3,285,090 94 of providing for the appropriations made by Congress.

ESTIMATES FOR THE FISCAL YEAR ENDING JUNE 30, 1877.
It is estimated that the receipts and ordinary expenditures for the fiscal year ending June 30, 1877, will be—

Receipts.		Ordinary Expenditures.	
Customs.....	\$365,000,000 00	Civil expenses.....	\$17,500,000 00
Internal revenue.....	120,000,000 00	Foreign intercourse.....	1,338,000 00
Sales of public lands.....	1,500,000 00	Indiana.....	7,900,000 00
Tax on circulation of national banks.....	7,200,000 00	Pensions.....	22,534,000 00
Re-imbursment of interest by Pacific Railway Companies.....	500,000 00	Military establishment, including fortifications, river and harbor improvements and arsenals.....	40,000,000 00
Customs' fines, penalties and forfeitures.....	100,000 00	Naval establishment, including vessels and machinery and improvements at navy yards.....	31,000,000 00
Consular, letters patent and other fees.....	1,900,000 00	Civil miscellaneous, including public buildings and light-houses, collecting revenues, mail steamship service, deficiency in postal revenues, public printing, &c.....	52,000,000 00
Proceeds of sales of government property.....	800,000 00	Interest on public debt.....	97,000,000 00
Miscellaneous sources.....	7,000,000 00	Interest on Pacific Railway bonds.....	3,878,000 00
Total ordinary receipts.....	\$304,000,000 00	Total estimated expenditures, exclusive of the sinking fund account and principal of the public debt.....	\$360,363,000 00

It is expected that for this fiscal year the surplus revenues of the government will amount to \$34,735,000. The estimated amount to be provided for the sinking fund is \$34,063,377 40. There is reason to hope, therefore, that the income of the government for this year will amply provide for all its obligations, including the sinking fund.

The estimates received from the several Executive Departments are as follows:

Legislative establishment.....	\$3,865,378 50
Executive establishment.....	18,717,045 40
Judicial establishment.....	3,403,450 00
Foreign intercourse.....	1,332,485 00
Military establishment.....	38,697,174 50
Naval establishment.....	2,871,608 40
Indian affairs.....	5,787,791 64
Pensions.....	29,533,500 00
Public Works:	
Treasury Department.....	\$6,132,846 86
War Department.....	19,886,328 44
Navy Department.....	1,725,000 00
Interior Department.....	832,500 00
Department of Agriculture.....	21,825 00
Department of Justice.....	3,000 00
Postal service.....	9,331,602 19
Miscellaneous.....	13,831,185 79
Permanent appropriations (including \$34,063,377 40 for sinking fund).....	146,629,910 76
Total.....	\$314,612,603 48

REDUCTION OF THE PUBLIC DEBT.

By the monthly statement of the public debt issued June 30, 1875, the reduction of the debt during the year was shown to be \$14,399,514 84, viz.:

Principal of the debt July 1, 1874.....	\$2,251,090,468 43
Interest due and unpaid, and accrued interest to date.....	38,989,067 47
Total debt.....	\$2,277,629,556 90
Cash in the treasury.....	147,541,314 74
Debt, less cash in the treasury.....	\$2,130,088,241 16
Principal of the debt July 1, 1875.....	\$2,232,294,581 95
Interest due and unpaid, and accrued interest to date.....	38,647,556 19
Total debt.....	\$2,270,932,068 14
Cash in the treasury.....	142,343,361 82
Debt, less cash in the treasury.....	\$2,128,588,706 32
Showing a reduction, as above stated, of.....	\$14,399,514 84

It will be observed that the surplus revenues, exclusive of provision for the sinking fund, as shown in the statement of receipts and expenditures for the fiscal year, were \$13,376,658 26, or \$1,022,856 58 less than the amount of the reduction of the debt as shown by the monthly statement of the same.

The difference between these two statements arises from the difference of dates at which they are made up, as will be seen by a comparison of them as regards the cash in the treasury at the commencement and close of the fiscal year, and of the item of "interest due and unpaid, and accrued interest to date," which, in the monthly debt statement, is treated as a liability of the Government, precisely as is the principal of the debt, but which is not so considered in the statement of receipts and expenditures.

The cash in the treasury July 1, 1874, as shown by the monthly debt statement of that date, and which embraced only the moneys officially reported to the Department at the time of its issue, was..... \$147,541,314 74
The cash in the treasury July 1, 1874, as shown by the account of receipts and expenditures, (the books from which it is prepared usually being kept open for a period of forty-five days,

so as to include at the date of closing the account all the revenues deposited at the different places of deposit throughout the country within the period covered by the same, and which are unascertained at the time of the issue of the monthly statement,) was..... 150,731,694 63

Showing a difference of..... 3,190,379 89
The cash in the treasury July 1, 1875, as shown by the monthly debt statement of that date, was..... \$142,343,361 82
And as shown by the statement of the receipts and expenditures of same date..... 144,702,416 41

Showing a difference of..... \$2,459,054 59
The difference in these two statements of cash reported to the Treasury, as appears by the monthly statement, and as ascertained by the statement of receipts and expenditures at the commencement and close of the fiscal year, it will be seen, is To which add the reduction in the item of "Interest due and unpaid, and accrued interest to date"..... 29,531 23

Making the sum of..... \$1,021,856 58

It will, therefore, be perceived that no difference exists in these two accounts, other than that which grows out of the manner of their preparation.

Frugality in administration is among the foremost and most important points of a sound financial policy. Faithful collection of the revenue and reduction of expenditures to the lowest point demanded by the necessities of government, constitute the first duty of those intrusted with making and administering the law. The obligation to adhere strictly to this duty has peculiar force while the public indebtedness is large and the industries of the country are suffering from financial depression. Rigid economy at such a time must lead to two important results: First, advancement of the credit of the government throughout the financial world, and hence ability to refund the debt at a lower rate of interest; second, and by no means least in importance, greater willingness on the part of the people to bear the burden of taxation, when they see that their government, like themselves, is reducing expenditures to the lowest practicable point, and applying the revenue received from them to its necessary and legitimate purposes. The general depression of business which followed the era of inflation and extravagance, through which we have just passed, has made it necessary that individuals, associations and corporations should reduce their expenditures to the minimum; and, having done so, the taxpayers have a right to demand that the government shall do likewise. While the interest on the public debt, and all other national obligations, must be promptly met, there are many points at which it is believed that considerable reduction of appropriations can properly be made; and the Secretary invites critical examination of all the estimates submitted to Congress. Increase of public expenditures in time of great prosperity and extravagance is accomplished by an easy process; but a corresponding reduction when the reverse comes can be brought about only by the closest vigilance and most determined resistance to every appeal for appropriations not required by the existing necessities of government.

No appropriation of money should be made without reference to the probable amount of revenue to accrue within the year in excess of existing obligations and liabilities.

THE SINKING FUND.

The fifth section of the act of February 25, 1862, sets apart as a special fund all duties on imported goods, and directs the application thereof—

First. To the payment in coin of the interest on the bonds and notes of the United States.

Second. To the purchase or payment of one per centum of the entire debt of the United States, to be made within each fiscal year after the first day of July, 1862, which is to be set apart as a sinking fund, and the interest of which shall, in like manner, be applied to the purchase or payment of the public debt, as the Secretary of the Treasury shall from time to time direct.

Third. The residue thereof to be paid into the Treasury of the United States.

Section six of the act of July 14, 1870, directs that the bonds theretofore purchased and then held in the Treasury in accordance with the provisions of the act aforesaid, and all other bonds which had been purchased by the Secretary of the Treasury with surplus funds in the Treasury, and any bonds thereafter applied to said sinking fund, with all others thereafter redeemed or paid, shall be recorded, cancelled and destroyed, and that the amount of bonds of each class so cancelled and destroyed shall be deducted, respectively, from the amount of each class of the outstanding debt of the United States. The last-named act also provides that, in addition to other amounts to be applied to the redemption or payment of the public debt, an amount equal to the interest on all bonds belonging to the aforesaid sinking fund shall be applied, as the Secretary of the Treasury shall from time to time direct, to the payment of the public debt, as provided for in section five of the act first above named, and appropriates from the receipts for duties on imports the amount so to be applied.

These acts are regarded by the Secretary as imposing upon him the imperative duty to take care of the sinking fund, as therein directed, out of the coin received from duties on imports. This requirement is secondary only to the payment of interest on the public debt. It takes precedence of all other appropriations, as, by the very terms of the legislation, only the residue of receipts from customs, after deducting interest on the public debt and providing for the sinking fund, goes into the Treasury.

The statute imposes upon the Secretary a duty to be performed annually, the requirement being that the purchase, or payment, for and on account of the sinking fund shall be made within each fiscal year.

During the past fiscal year it was not practicable to purchase the amount of United States bonds required for the sinking fund, for the reason that such bonds could not be bought at par, and the Secretary was forbidden by law to pay more. But the elev-

enth section of the act of March 3, 1875, authorizes the Secretary, for the purpose of obtaining bonds for the sinking fund, to give notice that he will redeem, in coin at par, any bonds of the United States, bearing interest at the rate of six per centum, of the kind known as five-twenties; and further provides that interest on such bonds shall cease at three months from the date of notification. The amount required for the sinking fund for the fiscal year ending June 30, 1875, was \$31,000,545. Of this amount \$1,006,500 six per cent. five-twenty bonds were purchased at the rate of \$99 87½ for each hundred dollars in bonds; and on the 11th day of March, 1875, a call was made for \$30,000,000 of the same class of bonds. This call matured on the 11th day of June, 1875, which, being so near the end of the fiscal year, a part of the bonds named in the notice were not presented for redemption during that year. Of the amount so called only \$24,073,900 were presented for payment before the 30th of June. Therefore, the amount which appears upon the books of the Treasury as actually applied to the sinking fund within the past fiscal year is \$25,170,400.

For the current fiscal year it is estimated that \$32,140,914 must be applied to the fund. To meet this requirement a call was made on the 1st day of September for \$8,000,000 six per cent five-twenty bonds, and on the 15th day of November a further call for \$5,000,000 bonds of the same class. The balance necessary to complete the total amount for this year will be called from time to time in such manner as to cause the least disturbance of the market, and it is hoped that the whole amount will be presented for payment within the year.

REFUNDING THE NATIONAL DEBT.

Since the Secretary's last report to Congress the refunding of the national debt authorized by the acts of July 14, 1870, and January 20, 1871, has been continued. The contract which was entered into July 28, 1874, and which is fully set forth and explained in the last annual report, was renewed January 20, 1875, the contracting parties being Messrs. August Belmont & Co., of New York, on behalf of Messrs. N. M. Rothschild & Sons, of London, England; Messrs. Drexel, Morgan & Co., of New York, on behalf of Messrs. J. S. Morgan & Co., of London, England; and Messrs. J. & W. Seligman & Co., of New York, on behalf of Seligman Brothers, London, England. The conditions of the contract were slightly modified, the contracting parties being allowed one-half of one per cent commission, and binding themselves to defray all expenses incurred in transporting five per cent bonds to London, and six per cent bonds, United States coin coupons, and gold coin, from London to Washington, besides the expenses of preparing the new bonds.

Under this agreement the contracting parties have subscribed for \$123,688,550, the balance of "New Fives" then remaining unnegotiated; and the Secretary now has the pleasure of announcing to Congress that the funding of the five hundred million of six per cent bonds into those bearing five per cent interest has been accomplished, thereby saving an annual interest to the government of five million dollars.

The success which has attended the refunding of \$178,548,800 of the national debt during the last sixteen months, with the steady improvement of the national credit, induces the belief that the remainder of the six per cent bonds can be refunded, within a reasonable time, in accordance with the provisions of the acts before mentioned. The attention of Congress is, however, called to the fact that, by the terms of the authorizing act, the bonds to be issued at the rate of four and one-half per cent are redeemable at any time after the expiration of fifteen years from the date of their issue. Bonds most easily placed on the market, which are most sought for by investors, and considered in all respects the most valuable, are those having a long period to run. Taking into consideration the fact that but little inducement is offered in the amount allowed as commissions for placing the United States loans, compared with that paid by other governments, it is thought important to give these bonds all the elements of popularity that may be possible; and the Secretary, therefore, recommends that an amendment be made to the act of July 14, 1870, which shall extend the time of redemption of such bonds to thirty years from the date of their issue.

RESUMPTION OF SPECIE PAYMENT.

The depression of business and general contraction of values which followed the financial panic of 1873 have continued to a greater or less degree in all parts of the country. Similar financial convulsions have occurred in other countries, and their effects are now being felt to a degree as great, perhaps, as in this country. These disastrous disturbances have been brought about in our own country by overtrading, over-credit, and excessive enterprise of a speculative character, stimulated by too great abundance of promises to pay, existing in the form of currency not based upon, or convertible into, the only actual money of the world and of the Constitution, gold and silver. Other commercial countries which have suffered and are now suffering from financial depression, have felt the influence of like causes, while in some of them the temptation to carry prosperous times to excess has, as has often happened before, led to over-production, and that superfluity of trade and credit which must inevitably, sooner or later, be followed by a collapse, and a corresponding period of depression. Although there are gratifying indications of increased activity in certain branches of business in the United States, it must be admitted that confidence has not yet been restored to the extent necessary to bring about a general revival, or to put the trade and industries of the country upon a basis of activity and permanent prosperity. Nor is it reasonable to expect that this will be done until there shall be a nearer approach to resumption of specie payment, and consequent improvement in the character of the currency. The constant disturbance of exchange and fluctuation of values, the uncertainties of business, the want of confidence between individuals, corporations, and communities,

which all experience proves to be the inevitable result of the use of a medium of exchange possessing no intrinsic value, representing no considerable amount of labor in its production, and not convertible into that which is recognized as money throughout the commercial world, are considerations which should claim the attention of every thoughtful representative of the people. However rapid may be our increase in population, wealth, and material strength, we cannot take the rank as a commercial or business people to which we are entitled by superior natural advantages, and the productive energies of our population, or attract to us the surplus capital of the world, so long as we have fluctuating standards of value, and such uncertainty in our fiscal legislation as makes the assembling of Congress and our frequent elections occasions of anxiety and apprehension, not only with the holders of our securities abroad, but with business men at home.

Great Britain has kept the value of her pound sterling substantially unvarying for two hundred years, and, in consequence of this steadiness, it has become the basis of the transactions, not only of British commerce and trade, but of all the world. In all civilized countries, Government negotiations with foreign money lenders are made upon this basis; and, as a general rule, the only foreign bills current all over the world are those which are expressed in pounds sterling payable in London, which city thus becomes the great centre where a true measure of property and debts can be found; and hence, the commerce of the world revolves around it, and pays tribute to its commercial standard. With an unsteady and varying currency, having no fixed relation to the money of the world, but always much below its par value, we can never attain that commercial independence to which our great resources and active population entitle us.

Every branch of industry and all classes of people are alike interested in the restoration of a sound and stable circulating medium, the laborer and producer no less than the merchant, bondholder, and banker. The present unequal and fluctuating currency oppresses and injures laborers and producers, who constitute a great majority of our people, far more than it affects injuriously dealers in money. The difference between gold and our paper currency is a margin upon which experienced money dealers do business, and it is this that gives the opportunity for artificial combinations whereby values are increased or reduced at pleasure. The purchasing power of the currency is increased or diminished by the manipulations of large operators united for that purpose, and producers and laborers are often made to suffer, without effective power of resistance. Restoration of a sound and unvarying currency must bring better relative wages, with more constant employment, because the value of labor, as of that which it produces, will be measured by a more certain standard; and, with the return of confidence, there must come activity, prosperity, larger markets, and greater demand, which, as both reason and experience prove, do not tend to lower wages, or make employment less certain.

The claim that the large issue of inconvertible paper currency has been beneficial to producers is, perhaps, sufficiently disproved by reference to the reports of sales of leading articles of produce, such as wheat, corn, and pork, before and since the issue of such currency. The most trustworthy statistics show that such articles were sold in New York during the five years from 1870 to 1874, inclusive, for about the same price that they brought in the five years from 1856 to 1860, inclusive.

On the other hand, it is equally certain that the farmer has paid increased prices, during the period from 1870 to 1874, for articles imported for consumption, upon all of which the difference between gold and currency must be paid by the consumer, who pays in the latter. Thus the producer of domestic articles is constantly subjected to loss in exchanging his products for such articles as coffee, tea, sugars, and other imported goods, which enter into daily consumption. In this connection it should be borne in mind that a greater volume of currency is required for the transaction of business when it consists of inconvertible paper, which does not circulate abroad, than when the currency in general use is gold, which flows through every artery of commerce. The statistics of our foreign trade illustrate this proposition. For every imported article the consumer must pay to the importer, besides the cost in gold, increased by his percentage of profit, as much more as the difference between gold and the currency with which payment is made. This difference, commonly called the premium on gold, increases by many millions the total amount which would otherwise be required to complete all such transactions.

The proper office of currency, whether it be gold or paper, is to serve as a medium of exchange for the adjustment of transactions between buyers and sellers. When it is sound and stable, receivable in all parts of the commercial world, the amount which actually passes from hand to hand in business transactions is far below the volume of business. A small per cent. thereof is adjusted by the actual handling of money. Exchanges are, for the most part, made by transfers of credits through banks and other agencies. Wherever exchanges and business transactions are conducted on the basis of coin, and paper convertible into it, the volume will be regulated by natural causes. Money, like merchandise, will go when there is demand for it, and where something of value can be obtained in exchange for it. When the financial panic of 1857 created a demand for gold in this country, a ready and continued supply came steadily from abroad to meet the necessities of our people, and brought speedy relief. Now, the enforced use of inconvertible paper currency, not only obstructs the flow of gold from abroad, but drives from the country the precious metals yielded by our mines.

Good and bad currency cannot be retained in anything like equal proportions in a country having commercial relations with other powers and peoples. The latter will drive away the former. Gold and silver will flow steadily to those parts of the commercial

world where business is done on the basis of an unvarying standard of values, and where every issue of paper is convertible into the precious metals at the option of the holder, because they are needed there. Such is the inevitable operation of the law of supply and demand; and the present limited and inadequate supply of coin in this country is chiefly due to this cause. Gold has become a commodity of trade, the price of which from day to day depends largely upon the will of those who have combined to control the market. This presents a serious obstruction to all productive industries and commerce, and introduces into business transactions an element of uncertainty, which often unsettles the most intelligent calculations, and tends to destroy confidence, without which there can be no real or permanent prosperity. Apparent but fictitious prosperity has often followed large issues of irredeemable paper currency, but no result is more certain to flow from a given cause, than disaster and financial distress to follow a period of inflation of business and credit caused by excessive issues of paper currency. The philosophy which teaches by example, as well as the deductions of reason, establishes conclusively that there is no effective remedy for the evil but the removal of its cause.

The government is bound, not only by economic considerations and proper regard for the interest of the people, but by express and repeated promises, to provide for the redemption in coin of all its issues of legal-tender notes. The original legal-tender act was regarded and treated at the time of its adoption as a temporary measure, made necessary and justifiable only by the exigency of war, which taxed all the resources and energies of the nation. The first act authorizing such issues (February 25, 1862) is entitled "An act to authorize the issue of United States notes, and for the redemption or funding thereof, and for funding the floating debt of the United States," language that significantly expresses the views of the Congress by which it was passed. It authorized the issue of \$150,000,000 legal-tender notes, and made provision for funding them in bonds issued on the credit of the government, bearing interest in gold, and payable at a future day. This was the best the government could do in the midst of its struggle for existence and rightful supremacy. The state of the public credit did not admit the possibility of the immediate procurement of a sufficient amount of coin to redeem the notes absolutely. A well-settled principle of political economy forbade the issue of paper currency without providing for its redemption, and in obedience thereto, Congress made the only practicable provision for the redemption of the notes which it authorized to be issued and stamped with the quality of legal tender. The act of July 11, 1862, which authorized a further issue of \$150,000,000, contained alike provision, and further provided that any notes issued thereunder might be paid in coin, instead of being converted into bonds, at the discretion of the Secretary of the Treasury. The notes thus authorized were issued and accepted by the people upon the assurance that they had the right to fund them in gold-bearing bonds of the United States, and this consideration undoubtedly constituted an important element of their value, and gave them a quality in aid of their circulation and free acceptance in all business transactions. In the opinion of wise and patriotic men, who, as the representatives of the people, were charged with maintaining the indissolubility and supremacy of our national Union, it was necessary to resort to this extraordinary measure for the purpose of carrying the war to a successful termination. It was, in substance and effect, a national war loan, based upon the credit of the government, and coupled with a pledge for redemption, but the period of payment was to be thereafter determined when the public exigency would permit. It was not in the minds of those who devised and consummated the scheme, that the government was about to enter upon the issue of an irredeemable paper currency, which should permanently take the place of the world's measure of values. Nor was it claimed by the most earnest advocate of the measure that the Constitution had given to Congress power to issue a permanent paper currency as a substitute for, and stamped by the law with, the qualities which, in the estimation of political economists, could exist only in the precious metals. In the light of the experience of the civilized world, such a purpose would have been regarded as little better than financial madness, and its avowal by the authors of the legal-tender acts would surely have caused the defeat of the plan for exerting the borrowing power of the government by means of such issues.

But the purpose and meaning of the acts in question are not left open for forensic discussion, having been authoritatively settled by the unanimous opinion of the highest judicial tribunal known to our Constitution. As soon after the termination of the war as 1868, it was argued before the Supreme Court that the legal-tender notes of the United States were issued as money, a substitute for metallic currency, and that, having been made legal tender in payment of all debts, including (with certain exceptions) the government's own, of course, when presented for payment, if similar notes, being legal tender, were offered in exchange for them, the debt would be discharged, by a delivery of new notes of the same kind, and so on *ad infinitum*. To this argument the court replied:

"Apart from the quality of legal tender impressed upon them by acts of Congress, of which we say nothing, their circulation as currency depends upon the extent to which they are received in payment, on the quantity in circulation, and on the credit given to the promises they bear. In other respects they resemble the bank-notes formerly issued as currency."

"But, on the other hand, it is equally clear that these notes are obligations of the United States. Their name imports obligation. Every one of them expresses upon its face an engagement of the nation to pay the bearer a certain sum. The dollar note is an engagement to pay a dollar, and the dollar intended is the coin dollar of the United States—a certain quantity in weight and fineness of gold or silver, authenticated as such by the stamp of the government."

This authoritative declaration of the Supreme Court defines clearly and precisely the meaning and intent of Congress in the

acts which authorized the issue, and should be accepted as conclusive of the obligation and duty of the government to provide for the payment in specie of all such issues.

Nor is this all. Subsequent to this decision, and for the purpose of putting a quietus upon the mischievous discussion of the subject, Congress, on the 18th day of March, 1869, declared by public act that "the United States solemnly pledges its faith to make provision at the earliest practicable period for the redemption of the United States notes in coin."

These provisions of the various acts of Congress, which were passed with the approval of the Executive, the clear adjudication of the Supreme Court, as well as the plainest principles of political economy, and proper regard for the public welfare, commit the government to the redemption in coin of the notes issued under the circumstances before stated. National faith and honor could not be more distinctly or unequivocally pledged to the performance of a plain duty.

In view of these solemn and repeated pledges, it seems idle to resort to the consideration of elementary principles of finance to prove the evils of an irredeemable paper currency. In the face of such pledges, disregard of which would bring national dishonor, and serious, if not irreparable, injury to the public credit, it can hardly be necessary to discuss questions of expediency, or to point out the ills which the experience of the civilized world shows must follow a violation of well-known laws of political economy.

It is among the first and most important functions of government to give to its people a sound and stable currency, having a fixed relation to the standard of values in general use among nations. The true matter with which government has to do is not so much a question of volume as of soundness and stability of the currency. When it has established a currency of fixed and stable value, having a known relation to that of other powers, and furnishing a uniform medium of exchange, the volume may and should be left to be determined by the wants of trade and business. Natural causes, aided by individual effort and enterprise, will regulate the volume of currency far more wisely and with greater safety to business than acts of Congress imposing artificial limits, subject to increase or diminution at every session.

The existing provision of law making United States notes legal tender for all debts, both public and private, with certain exceptions relating to transactions with government, is an artificial barrier to the use of gold and silver, tending not only to prevent the flow of gold towards this country, but promoting the shipment abroad of our own production of the precious metals. For this reason, Congress should abolish the legal tender quality of the notes, as to all contracts made, and liabilities arising after a fixed day. The first day of January, 1879, being already fixed by law as the time when the redemption of United States notes then outstanding shall begin, it would be proper and safe to provide that such notes shall not be legal tender for contracts made, or liabilities incurred after the first day of January, 1877. Such an act would not too suddenly change the value of the notes, and would not affect injuriously either debtors or creditors, but would remove a present obstruction to the retention of our gold and silver production, and create a demand for the return of gold now abroad, thus promoting final resumption by preparing the country for it.

In furtherance of the purpose of the act of the last Congress to provide for the resumption of specie payments, the Secretary recommends that authority be given for funding legal-tender notes into bonds bearing a low rate of interest. Such bonds should run for a longer period of time than those now authorized for refunding the interest-bearing debt, and should be made available to national banks for deposit to secure their circulation and other liabilities to the government, and should bear a rate of interest so low as not to cause too rapid absorption of the notes. It seems probable that a bond-bearing interest at the rate of four per cent. would invite the funding of a sufficient amount of legal tender notes to lessen materially the sum of gold which, in the absence of such provision, must be accumulated in the Treasury by the 1st of January, 1879, to carry out the imperative requirements of the act of January 14, 1875. If it be apprehended that authority to the Secretary to fund an unlimited amount of notes might lead to too sudden contraction of the currency, Congress could limit the amount to be funded in any given period of time. The process being in no sense compulsory as to the holders of United States notes, and the rate of interest on the bonds being made low, it is not probable that currency which could find profitable employment would be presented for redemption in such bonds. Only the excess of notes above the needs of business would seek such conversion. Authority to the Secretary of the Treasury to redeem and cancel two million of legal-tender notes, per month, by this process, would greatly facilitate redemption at the time now fixed by law, and besides would have the advantage of publicity as to the exact amount to be withdrawn in any given month. Bonds issued for this purpose should be of the denomination of fifty and one hundred dollars, and any multiple thereof, in order to meet the convenience of all classes of holders of United States notes. The faith of the government now stands pledged to resumption on and after January 1, 1879, and to the final redemption and removal from the currency of the country of the legal-tender notes as fast as they shall be presented for redemption, according to the provisions of the act of January 14, 1875. To resume on the 1st of January, 1879, without further legislation, would require the accumulation of a large amount of gold in the Treasury in order to avert the possibility of failure of the plan. Such an amount of gold can be procured with difficulty, and not without more or less embarrassing effect upon the trade and commerce of our own and other countries. The present abundance and cheapness of both currency and capital, presents a

favorable opportunity for the withdrawal and redemption of a considerable part of the outstanding legal-tender notes, thereby making easy and effectual the redemption now pledged. Such withdrawal of legal-tender notes, thus dispensing with the necessity for accumulating gold in the Treasury in proportion to the amount withdrawn, would tend to appreciate those remaining outstanding and make it easier to protect and keep in circulation the silver coin now authorized to be issued.

The act last referred to is an express recognition of the duty and obligation of the government to resume specie payment at the day therein named; and, however widely different may be the views of intelligent persons upon the means adopted by Congress, it is gratifying to know that the end sought to be reached has met the concurrence of the country, and that a majority of the people, wherever the matter has been publicly and fully discussed, have signified their approval of the determination of Congress to be faithful to its pledges, and to relieve them of the ills of an irredeemable paper currency.

The act in question not only makes express provision for resumption at a fixed date, but commits the government to the use of all such means as may be needful to that end. If experience shall show that the means provided by Congress need to be supplemented by further legislation for the easier and more certain accomplishment of the end, it must be assumed that Congress will not suffer the great purpose to be impeded for want of such additional legislation. The act confers large powers on the Secretary of the Treasury, touching the issue of United States bonds for the purpose of procuring the supply of gold necessary to execute such of its provisions as go into immediate operation, and to provide for the redemption in gold of United States notes outstanding on and after the 1st of January, 1879. In this respect the power conferred on the Secretary is ample; but if, for any cause, it should be found impracticable to accumulate in the treasury a sufficient amount of gold to carry out the provisions of the act, the Secretary is left without the choice of other means to accomplish the end. It may, perhaps, be doubted whether the process of accumulating a large amount of gold by a given time could go on without meeting opposition from the financial powers of the world. It is safe to say that so large an amount of gold as would be required to carry out the purpose and direction of the act cannot be suddenly acquired. It can be done only by gradual processes, and by taking advantage of favorable conditions of the money market from time to time.

The loss of interest on large sums hoarded in the treasury for a considerable period in advance of January, 1879, is a consideration not to be disregarded, although it should not be permitted to outweigh the benefits to result from full and complete execution of the act.

The Secretary regrets that the condition of the treasury has been such as to render it necessary to make sales of gold coin from time to time to meet current expenditures payable in currency. Such sales have been made in New York city, upon public notice, in accordance with the plan previously adopted, and have been limited from month to month to the amount necessary to keep on hand a sufficiency of currency to meet probable demands upon the treasury under existing appropriations. It is the desire of the Secretary to retain in the treasury, so far as practicable, the gold received from customs, and sales are discontinued whenever the balance of currency in the treasury is sufficient to meet currency payments.

COINAGE.

The report of the Director of the Mint presents in detail the operations of the mints and assay offices.

The amount of bullion received and operated upon during the last fiscal year was:

Gold.....	\$43,152,584 50
Silver.....	12,304,406 07
Total.....	\$61,456,990 57

Deducting re-deposits, bars made and issued by one institution and deposited at another, the deposits were:

Gold.....	\$33,556,393 90
Silver.....	16,070,636 54
Total.....	\$54,626,990 44

The coinage for the fiscal year was as follows:

	No. of pieces.	Value.
Gold.....	1,738,002	\$33,556,393 90
Silver.....	22,923,316	10,070,636 54
Minor.....	14,629,500	230,575
Total.....	39,191,778	\$43,854,708

The silver coinage consisted of:

	No. of pieces.	Value.
Trade dollars.....	5,697,500	\$5,697,500
Subsidiary silver coin.....	17,125,716	4,372,663

From the close of the fiscal year to October 31, 1875, the subsidiary silver coinage has amounted to \$3,895,010, which added to the coinage of the year, makes a total subsidiary silver coinage of \$8,267,673.

The bars manufactured were:

Gold.....	\$16,019,579 93
Silver.....	7,029,430 54
Total.....	\$23,049,010 47

At the mint in San Francisco, a large refinery has been equipped and put in successful operation, and that institution is now in a condition to meet the large and increasing demand for refining and coinage at that point.

The rooms formerly occupied by bankers in the assay office at New York have been altered and repaired, and will hereafter be devoted to the operations of that office. The additional capacity thus given is necessary to meet the increased demands for refining bullion in that city.

Additional annealing furnaces have been erected at the mint in Philadelphia, and the coinage machinery at the Carson City mint has been duplicated, thereby increasing the coining capacity of both institutions.

The change in the relative values of gold and silver is considered at some length by the Director, and the various causes producing the result are clearly set forth in his report, and are worthy of careful attention.

The diminished use of silver coin in various European countries, and the increasing production of our silver mines, would appear to render the present a very favorable time for procuring supplies of bullion for the manufacture of silver coin to be used in the redemption of the fractional currency.

So much of the act of January 14, 1875, as relates to the purchase and coinage of silver for redemption of fractional currency, has been put into partial operation, and is now being executed as rapidly as the exigencies of the case will admit. Since the passage of the act, 8,243,642 ounces of silver bullion have been purchased, at an average price of 111 4-10 cents per standard ounce. The mints have been put into active operation, and the aggregate amount of silver coin now in the Treasury is \$10,000,000.

The Secretary has been urged to begin the work of resumption by issuing silver coin in redemption of outstanding currency, and it has been insisted that, under the first section of the act, he has no discretion, but must issue the silver coin as fast as it can be turned out from the mints. While the act requires the coinage to proceed as rapidly as practicable, it does not, in terms, require the Secretary to issue it at once; nor does it fix the period of time when the issue must begin. For obvious reasons, it has been, and yet is, impracticable to put or keep silver coin in circulation. The present depreciation of currency below gold precludes the probability that silver would remain in circulation, and, therefore, it has been deemed impracticable to issue it for the present, or until, by the nearer approach of, or greater preparation for, general resumption, there shall be such an appreciation of the circulating currency of the country as would give assurance that the silver coin to be issued would not be hoarded for shipment abroad, or converted into plate and jewelry, or reduced to bullion.

The report of the Director gives valuable information in relation to the precious-metal mines of the United States, and of the extensive developments recently made in the Pacific States. The mining industry of the precious metals appears to be in a very prosperous condition, and affords every reason to believe that the yield for the next four or five years will show a marked increase over the production of recent years.

REVENUE FROM CUSTOMS.

The receipts from customs for the year ending June 30, 1874, were \$163,103,833 19, and at the corresponding date of 1875 they were \$157,167,722 35, a decline of \$5,936,111 34.

The receipts for the first quarter of the current fiscal year were \$44,233,626 25, while for the corresponding period of last year they were \$46,651,200 10, showing a decrease of \$2,417,573 85.

For the months of October and November, 1875, the receipts were \$23,936,950 23, and for the same months of last year they were \$22,755,811.

The effect upon the customs receipts of the act of February 8, 1875, imposing duties on certain articles therein enumerated, and making additions to the free list, cannot yet be stated with certainty. Nor is it possible, at present, to determine with accuracy the effect of the act of March 3, 1875, restoring the ten per centum of duties repealed by the act of June 6, 1872.

The following statement of importations of the classes of merchandise chiefly concerned, is derived from the Bureau of Statistics, and, to some extent, serves to show the effect of the act of March 3, 1875, on the duties received:

Value of importations of cotton, glass and glassware, India rubber and gutta-percha, iron and steel, leather, metals not otherwise provided for, paper, straw, wool (including hair of alpaca, &c.), and manufactures thereof, for the nine months ending September 30, 1874.....	\$94,917,416 00
Value of importations of same articles for corresponding period of 1875 (including the seven months next succeeding the act of March 3, 1875).....	81,223,548 00
Decrease.....	\$13,693,874 00

This decrease was occasioned principally by the falling off in two classes of importations, viz:

Iron and steel and manufactures thereof.....	\$3,260,006 00
Wools and manufactures thereof.....	3,944,308 00
Total.....	\$12,204,374 00

Returns for the four months ending June 30, 1875, show that of importations for that period amounting to \$30,547,005, duties have been paid on \$23,629,606 withdrawn for consumption, yielding \$10,954,719 of revenue. In this amount is of course included the ten per centum restored by the act of March 3, 1875, showing an apparent increase for four months of \$1,065,471 90. But in this connection there is to be considered the fact that, for the corresponding period of the year 1874, the importations of the same classes of merchandise amounted to \$36,022,467, showing a decrease in importations for the four months ending June 30, 1875, of \$5,475,462, of which \$4,800,378 is due to the falling off of importations of iron and steel and manufactures thereof. It is, therefore, difficult to determine in the light of returns now at hand, to what extent the apparent increase of revenue resulting from the repeal of the ten per cent reduction is offset by the decrease in importations, and, consequently, in the amount of entries for consumption on payment of duties.

In relation to the twenty five per cent increase of duty on sugar and molasses, under the act of March 3, 1875, it is still more difficult to determine the effect on the revenue. Owing to the change of classification and of drawback on refined sugar export-

ed, together with the fact that hardly sufficient time has elapsed to enable a comparative statement of much value to be prepared, the increase of revenue derived from the additional duty levied cannot be given. The actual increase of duty collected from the time the act took effect, March 3, 1875, to June 30, 1875, was \$3,445,017, but how far this increase is affected by the classification and drawback cannot be determined with accuracy.

Pursuant to the act of June 18, 1874, admitting free of duty articles intended for the International Exposition of 1876, at Philadelphia, under such regulations as the Secretary of the Treasury shall prescribe, collectors of customs at the various ports have been furnished with regulations designed to cover the subject in the spirit and intent of the act. It is hoped that, while these regulations will afford all reasonable facilities for the importation of such articles as may be consigned for exhibition from the various nationalities of the world, they are so guarded as to prevent frauds upon the revenue by persons who, under pretence of being exhibitors, may attempt abuses of the privileges accorded them.

The general views held and suggestions made in the report submitted to Congress in December, 1874, in the discussion of the tariff laws, regarded solely as revenue measures, are still entertained, and are referred to now with the added suggestion, that experience has shown that when duties are imposed upon any articles at rates so high as to be almost prohibitory, injury is done the revenue by lessening the amount of the importation of such articles, besides inducing a tendency to augment the evil of their clandestine introduction.

In the collection of duties upon importations, two evils are chiefly operative to prevent the government from realizing the full measure of revenue—first, smuggling, and secondly, undervaluation.

The first of these evils is more generally prevalent, especially on the northern frontier, than is commonly supposed, the difficulties attending a proper surveillance of that frontier, under existing circumstances, being very great, if not in some respects insurmountable. Without going into full details, it may be said, by way of illustration, that in the four collection districts of Vermont, Champlain, Oswegatchie, and Cape Vincent, having a frontier line of more than three hundred miles, with eight principal ports or stations and forty-one minor stations, after deducting the number permanently employed at such principal points and four for service in Canada in connection with the sealing of cars, there are but fifty-nine officers remaining for service at the minor stations and as a coast-guard to prevent smuggling. Deducting from this number one officer for permanent service at each minor station, there remain but fourteen as a preventive force, or less than one man for every twenty-one miles of frontier.

These statistics apply to portions of the border which offer speedy and direct means of travel between Canada and the United States, and which, during several months of the year, are thronged by travellers of every condition and with every variety of object in view, from those bent merely on pleasure or legitimate business, to those whose chief occupation is to defraud the revenue.

Information obtained by the Department, from trustworthy sources, renders it quite certain that systematic frauds have been perpetrated by smuggling over the border wines, brandy, and other articles of merchandise. Similar observations might be made as to other parts of our frontier.

The second general cause which operates to prevent the government from receiving its full measure of dues is undervaluation, a source of perhaps greater loss than the direct offence of smuggling. This evil is attributable, in part, to the devices of dishonest importers, in part to the fluctuation in market values, but more, probably, to the defects of the appraisement system itself. Without disparagement of the class of officers known as local appraisers, many of them of long experience and of the most unquestioned integrity, it cannot be denied that there is often very great diversity at the different ports regarding the classification and valuation of merchandise. While this diversity sometimes arises from an honest difference of opinion, it not unfrequently happens that there is collusive action between assistants or other subordinates of the appraisers, and the importers, which, when once begun, is a source of constant loss to the revenue as well as of injury to honest merchants.

To correct these evils the office of general appraiser was created; and to those officers, five in number, supervision over appraisers and their assistants is committed by law. But can satisfactory results be anticipated from their labors when the large extent of their field of operations is considered in connection with their limited number? To the general appraiser at Boston are assigned ports and districts, thirty-five in number. To the general appraiser at New York, the district of New York city. To the general appraiser at Philadelphia, twenty-two ports and districts. To the general appraiser at Baltimore, fifty-seven districts and ports. To the general appraiser at New Orleans, eighteen districts and ports. The labors and duties of these officers have been greatly increased by the privilege of immediate transportation granted to importers in the interior by the act of 1870, whereby the number of ports requiring the attention of the general appraisers is enlarged and uniformity of valuation rendered much more difficult.

The first general suggestion which presents itself by way of remedy for some of the defects of the present system of appraisement is an increase in the number of general appraisers, to be drawn from the ranks of subordinate officers of requisite ability and experience; and, secondly, a consolidation of customs districts, by which minor districts would be merged in larger ones, thus reducing the sphere of action of this class of officers, and enabling them to concentrate their efforts to better advantage.

In connection with the general subject of a consolidation of customs districts, it may be remarked that an examination of

statistical returns from all the districts in the United States will show that in some of them the amount of business transacted is not sufficient to justify keeping up the corps of officers whose aggregate compensation exceeds the amount of revenue collected by them, and who can render adequate return only by acting as a preventive or detective force. That species of service requires a greater number of officers to guard exposed lines of coast and frontier than existing circumstances will permit. Consolidation of a number of districts would facilitate the performance of such duties, besides securing a reduction of the aggregate expenses. And, as auxiliary to this, it is recommended that fixed salaries be made applicable to all ports and districts, and that all officers be required to pay into the treasury all fees, perquisites and emoluments, of whatever nature or character, received by them.

Another remedy, and the most effective which could be adopted for correcting the evils of the appraisement system, is the substitution, so far as practicable, of specific for ad valorem duties. This change would work a great reduction in the amount of labor requiring the knowledge of experts. The entire process of ascertaining duties would be more simple, certain and safe. Opportunities for collusive undervaluation would be greatly lessened, and if errors were committed they could not, as to specific rates and amounts, be accounted for except upon the supposition of culpable negligence or actual fraud; whereas, in respect to ad valorem duties, an error of judgment may readily be assigned as a sufficient explanation.

Such change, either with or without a decrease in the number of dutiable articles, would insure a very considerable reduction of the force at the chief ports, with a consequent diminution of expenses.

The revised tariff contains thirteen schedules, embracing upwards of fifteen hundred dutiable articles, which are either distinctly specified or included in general or special classifications. To these must be added nearly one thousand articles not enumerated, but which, under the general provisions of sections 2,499 and 2,516 of the Revised Statutes, would be assigned a place as dutiable, either by virtue of similitude to some enumerated article, or as articles, manufactured or unmanufactured, not otherwise provided for, making over twenty-five hundred in all. The free list contains an enumeration of over six hundred articles, thus constituting a total aggregate of more than three thousand articles embraced by the tariff, either as dutiable or free.

Of articles subject to duty, and either named in or subject to specific classification by schedule, eight hundred and twenty-three pay ad valorem rates varying from ten to seventy-five per cent; five hundred and forty-one pay specific duties according to quantity or weight; and one hundred and sixty pay compound or both specific and ad valorem rates.

The articles to be dealt with under sections 2,499 and 2,516, which, as before stated, number nearly one thousand, must necessarily be subject to either specific, ad valorem or compound duties, but in what proportion it is impracticable to state.

From this general recapitulation of the features of the tariff with reference to the number of articles embraced in it, and the variety of rates applicable thereto, to say nothing of questions arising under the free list, it is evident that every step taken towards perfecting a more compact and simple system of duties on imports must contribute, not only to the ultimate safety of the customs revenue, but to its more prompt and economical collection.

But the only sure remedy for the evils of smuggling and collusive or other undervaluations lies at last in the selection and retention of faithful and competent officers. Neither laws nor regulations, however stringent or minute, will accomplish the desired results without faithful officers to execute them.

Referring to the estimates of receipts and expenditures for the next fiscal year, and to the necessity now existing for the accumulation of gold in the Treasury, the Secretary again calls the attention of Congress to the effect of the act of 1872, repealing the duty on coffee and tea. In his last annual report the Secretary expressed the opinion that the act admitting these articles to free entry had been without advantage to consumers in this country, but that the duty repealed had been added to the cost abroad. The repeal of duty has been followed by increase of export duty in the countries of production, and this increase is paid by consumers. Subsequent consideration of the subject has confirmed the views heretofore expressed, and the Secretary recommends restoration of the duty on the articles in question. Being imported in large bulk, the duty is easily collected, and the opportunities for fraudulent introduction are comparatively slight.

During the fiscal year 1875 the cost of collecting the revenue from customs was reduced more than half a million dollars per annum, by dropping from the rolls in the various customs districts a considerable number of officers and employees, and by reducing the salaries of others, which are not fixed by law, but are under the control of the Secretary.

There has been a large falling off in the aggregate amount of fines, penalties and forfeitures connected with the customs, which constitute part of the appropriation for the expenses of collecting the revenue from customs. The amount received from that source for the first quarter of the current fiscal year is only \$38,521 75, and it is estimated that for the entire year the amount will fall about \$900,000 below the sum received from the same source for the fiscal year 1873.

In view of this decline, further reduction of expenses has recently been made at the rate of a little more than a million dollars per annum, which secures a decrease of nearly six hundred thousand dollars for the remainder of this fiscal year. Whether the reduction can be maintained without danger to the revenue, remains to be determined. The power of the Secretary, however, does not extend beyond the appropriations made by Congress,

and it is his purpose, as well as his duty, to keep the expenses within the amount authorized by law.

A detailed statement of the various sums of money refunded under the provisions of the act of March 3, 1875, and other acts of Congress relating to the revenue, together with copies of the rulings under which repayments have been made, has been prepared, and may be found in the tables accompanying this report.

INTERNAL REVENUE.

The report of the Commissioner of Internal Revenue, herewith transmitted to Congress, presents fully the condition of this branch of the revenue, with estimated receipts for the remainder of this fiscal year, and explains, as fully as can now be done, the effect of the act of the last Congress upon receipts from the tax on distilled spirits and tobacco.

The following tabular statement shows the comparative receipts from the various sources of internal revenue, for the fiscal years ending June 30, 1874 and 1875, respectively:

Sources.	1874.	1875.	Increase.	Decrease.
Spirits.....	\$49,444,089 85	\$52,081,991 12	\$2,637,901 27	\$.....
Tobacco.....	33,242,575 62	37,303,461 88	4,060,886 26	.....
Permented liquors...	9,304,679 72	9,144,004 41	.....	160,675 31
Banks and bankers...	3,387,160 67	4,097,243 12	710,082 45	.....
Penalties, &c.....	364,216 34	2-1,107 61	.....	83,108 73
Adhesive stamps.....	6,136,844 64	6,537,229 65	400,385 01	.....
Back taxes under repealed laws.....	764,880 14	1,080,111 41	315,231 30	.....
Total.....	\$102,644,746 98	\$110,545,154 23	\$8,144,191 25	\$943,774 04

This table is made up from the reports of collections made to the Commissioner of Internal Revenue, which include commissions on sales of stamps paid in kind, and therefore do not enter into the actual cash receipts of the treasury. They include, also, sums reported as collected but not actually paid into the treasury at that time. Hence there is an apparent discrepancy between the totals here shown and the aggregate amount deposited on account of internal revenue as shown by warrants covering the same into the treasury for the fiscal year.

The receipts from internal revenue for the first quarters of the fiscal years ending, respectively, June 30, 1875 and 1876, were as follows:

First quarter of 1875.....	\$36,314,615 33
First quarter of 1876.....	25,199,723 50
Increase.....	\$1,835,108 17

The aggregate receipts for the months of October and November, of the current year, were \$19,638,907 19, while for the same months of last year they were \$17,476,202 99, showing an increase of \$2,162,704 20.

Since the last annual report to Congress, fifty-six collection districts have been abolished by consolidation with other districts, with an estimated annual saving to the government of about one hundred and seventy thousand dollars.

During the past fiscal year frauds of unusual character and magnitude were discovered in this branch of the service, which appear to have been carried on with more or less injury to the revenue for several years past. The report of the Commissioner sets forth in detail the manner in which such frauds have been perpetrated, and gives the estimate of that office of the amount of probable loss to the revenue, with suggestions of modifications of the law deemed essential to more certain collection of the tax on distilled spirits. The attention of Congress is invited especially to that feature of the report. The recommendations made therein for modification of the law, with a view to the prevention of like frauds in future, are concurred in by the Secretary, and commended to the consideration of Congress. So long as it is necessary to maintain a tax on distilled spirits amounting per gallon to three or four times the cost of production, it may be expected that the great temptation to avoid payment of the tax, on at least a part of the production, will excite the cupidity of producers, and that every possible device for evasion will be used. Each gallon of spirits that escapes payment of tax increases by so much the profit to the producer. It cannot be denied that a tax imposed for revenue purposes is regarded by many persons as a harsh exaction from the citizen, to be thwarted if possible, or that violations of the punitive provisions of revenue statutes are looked upon by many as venial offences. But the necessities of government, including the maintenance of national faith, imperatively demand the closest collection of all the revenues levied by law; and, besides, due regard for the interest of those who meet honestly and promptly the demands of government upon them, in this respect, requires that all others shall be made to bear their proper share of such taxation. Every evasion of tax by dishonest persons must eventually increase the burdens of honest taxpayers. These considerations should induce every citizen to render proper aid to the government in its efforts to collect the revenue, by giving information of violations of law and of frauds on the revenue, which may come to his knowledge; but experience shows that few are willing to give such information, unless they can receive direct pecuniary compensation.

When recently it became known that the government was losing a large part of the revenue due from distilled spirits, it was found extremely difficult to obtain exact or satisfactory information as to the method of perpetrating the frauds, or to ascertain, with reasonable certainty, who were the guilty parties. It was obvious that frauds on the revenue were being extensively practiced, and it was equally clear that this could not be successfully done, under existing provisions of law, without guilty connivance or participation by inferior officers, and at least culpable negligence on the part of others of higher grade.

In the opinion of the Secretary, the circumstances seemed not only to justify, but require a resort to means other than those in ordinary use for detection by the Bureau of Internal Revenue.

Accordingly, the appropriation for detecting and bringing to trial and punishment persons engaged in counterfeiting, and for detecting other frauds upon the government, was drawn upon for this purpose. The Solicitor of the Treasury, who is charged with the proper use and disbursement of that fund, was directed to inquire into the alleged frauds on the revenue, in the matter of distilled spirits, and was instructed to spare no proper effort to detect the guilty parties, and furnish their names, with the evidence against them, to the proper officers of the Department of Justice. This duty was entered upon with energy, and, after the existence of conspiracies and combinations to defraud the government was developed, the investigation was continued, in co-operation with officers of internal revenue, and resulted in the certain detection of frauds on the revenue of more than ordinary significance. Under the direction of the Commissioner of Internal Revenue, the investigation has been pursued with commendable energy and zeal. A considerable number of officers of internal revenue have been found to be in guilty collusion with distillers and rectifiers in fraudulent practices, whereby large sums were lost to the revenue. The evidence thus acquired, having been reported to the proper district attorneys, has resulted in a large number of prosecutions for conspiracy, duplicate use of stamps, and other offences. So far as these prosecutions have been completed, they have, with few and comparatively unimportant exceptions, resulted in convictions. A large number of distillers, rectifiers, and subordinate officers of internal revenue, have pleaded guilty to indictments against them, thus confessing their offences, and thrown themselves upon the mercy of the court.

Besides the institution of criminal proceedings, civil suits have been brought upon the bonds of officials and of distillers; distilleries and spirits have been seized as forfeited to the United States for violations of law; and, wherever the evidence warranted, assessments have been made against distillers for delinquent taxes, and placed in the hands of collectors, with instructions to collect by process of law. Urgent applications have been presented for the compromise of many of the cases, but it has been deemed better for the interest of the government to allow all of them to take the usual course in the courts; hence, all such applications have been denied.

The Secretary considers it important to the future collection of the revenue, that all parties engaged in persistent and systematic frauds shall be visited with the severest penalties of the law. To this end instructions have been repeatedly given to officers of internal revenue, and others in the service of this Department, to render all proper assistance to the officers of the Department of Justice in the prosecution of the cases now pending, and in the detection and punishment of such guilty parties as have not yet been indicted. It is deemed of especial importance that officers of the government who have betrayed their trust, and engaged in frauds on the revenue, shall be brought to speedy and condign punishment. Those who are intrusted with official duties and responsibilities should be given to know that the government will not deal lightly with them when they prove to be guilty of corruption in office. Taxpayers cannot be expected to deal honestly with government when its own trusted officers are permitted to participate in frauds on the revenue, without incurring swift and certain punishment. The highest guaranty for the faithful collection of revenue is in the vigilance and integrity of officials. This guaranty can be secured only by careful selection in the first instance, by retaining in office such as have proved their efficiency and honesty, and by prompt dismissal and vigorous prosecution of such as have been found faithless.

[We have omitted remarks on "Exports and Imports," "Coast Survey," "Bureau of Engraving and Printing," "Public Buildings," "Claims for Proceeds of Cotton," and "Claims against the Government."]

COMMERCE AND NAVIGATION.

There is little change in the proportion of the foreign carrying trade transacted in foreign vessels, about 74 per cent. of imports and exports, during the last fiscal year, having been carried in foreign vessels, as against about 72 per cent. for the preceding year, and 76 per cent. for the fiscal year 1872.

The Register of the Treasury reports the total tonnage of vessels of the United States to be 4,853,732 tons, an increase of 53,080 tons over that of the fiscal year ended June 30, 1874, exclusive of the canal-boat tonnage, amounting to about 48,000 tons, exempt from enrolment and license under the act of Congress approved April 18, 1874.

The actual increase is believed to be about 141,878 tons, this amount being the excess of gains over losses during the year; but this aggregate has been reduced to 53,080 tons (the increase first above mentioned) by omitting the tonnage of the exempted canal boats, and by corrections of tonnage returns, about 40,000 tons.

The following table exhibits the total tonnage for the last two years:

	1874.		1875.	
	Vessels.	Tons.	Vessels.	Tons.
Registered.....	2,723	1,483,922	2,961	1,553,639
Enrolled and licensed.....	29,759	3,371,739	26,304	3,299,904
Total.....	32,482	4,855,661	32,265	4,853,543

The tonnage of vessels built, as given by the Register, is 297,639, being a decrease from that of the preceding year of 135,086 tons, or over 31 per centum. The number of vessels built was 1,301.

Official numbers have been awarded by the Bureau of Statistics since July 1 to November 10, 1875, to 894 vessels, whose carrying capacity amounts to 146,115 tons. Of this number, sixty-three were new sea-going vessels of 100 tons and over; forty-five of 1,000 tons and over; three of 2,000, and two of 3,000 tons each, with an aggregate tonnage of 100,226 tons.

REVENUE MARINE.

The past year is the first of the administration of this branch of the public service with the advantage of the completion of the reorganization begun four years ago. The improvement resulting from this reorganization more than equals all that was anticipated. The report of the Commission which proposed the plan does not indicate that any other benefit was expected than a reduction of the expenses of the service. The result shows, however, not only a considerably larger reduction than was anticipated, but the attainment of a much higher degree of efficiency than characterized the service in former years. The Commission estimated the annual cost of maintaining the service, when the reorganization should be accomplished, at \$943,639. The expenditure of the last fiscal year was \$897,899 56, an amount considerably lower than that of any previous year since separate accounts of expenditure for the maintenance of this service have been kept, and about \$300,000 less than the average annual expenditure previous to the beginning of the reorganization.

One of the chief means by which this reduction has been accomplished is the substitution of small and swift light-draught steamers and small sloops for the larger steamers and unseaworthy schooners formerly in use, a change which, through the greater speed of the new vessels, their ability to navigate bays, inlets, bayous, and other waters inaccessible to the old ones, and their especial adaptation for rendering assistance to distressed vessels, has greatly enhanced the usefulness of the service.

The revenue vessels designated by the President for winter cruising, under the act of December 23, 1837, were especially serviceable in the humane work of assisting vessels in distress during the last winter. Throughout the month of February, the marine columns of the principal commercial newspapers contained daily accounts of such relief administered to suffering vessels.

The general services performed by revenue vessels during the last fiscal year may be summarized as follows:

Number of vessels in distress assisted.....	195
Number of lives saved.....	81
Number of vessels seized or reported for violation of law.....	1,945
Number of vessels boarded and examined.....	22,975
Number of miles sailed.....	196,117

Besides the above, various services of a special nature have been rendered, such as conveying outfits and supplies to life-saving stations, and assisting the operations of the navy.

A comparison of the foregoing exhibit, with the following statement of services performed by the revenue vessels during the ten years preceding the reorganization, strikingly illustrates the relative advancement of the service in efficiency.

STATEMENT OF SERVICES PERFORMED BY REVENUE VESSELS DURING THE PERIOD FROM 1861 TO 1870, INCLUSIVE.

	Vessels in distress assisted.	Lives saved.	Vessels seized or reported for violation of law.	Vessels boarded and examined.	Miles sailed.
Total during ten years	1,218	187	1,163	132,908	1,510,651
Average	122	19	116	13,300	161,065

There have been added to the fleet during the year one small propeller of about thirty-two tons, commissioned for duty in the harbor and bay of San Francisco, and two sloops which do duty as revenue cruisers on the Atlantic coast, and, at the same time, are specially used in connection with the life-saving service. Plans and specifications have also been prepared, and proposals invited, for the construction of a small steamer for harbor duty at Philadelphia. The steamer authorized to be built for the Pacific coast is well advanced, and it is expected will be ready to go into commission next season.

LIFE-SAVING SERVICE.

The stations in operation during the past year are located in districts Nos. 1, 2, 3, 4 and 6, embracing the line of coast from the eastern extremity of Maine to Cape Hatteras, with the exception of that portion embraced between Cape Henlopen and Cape Charles.

The cost of maintaining the service during the last fiscal year, exclusive of the expenditure for the establishment of new stations, was \$163,204 52.

It appears from the reports of the superintendents that during the season of 1874-'75, (from November 1, 1874, to November 1, 1875,) 82 vessels have been driven ashore within the limits of the operation of these stations, having on board 975 souls, and valued, with their cargoes, at \$2,607,722. The life-saving apparatus was used at 44 wrecks, and 468 persons were actually brought ashore by it, while more or less assistance was rendered in most of the other cases. Of the property imperilled \$1,756,475 in value was saved. Sixteen lives and \$851,247 of property were lost. 726 days of shelter were afforded at the stations to 219 shipwrecked persons. Fourteen of the persons who perished were lost from the Italian bark "Giovanni," wrecked at Peaked Hill bar, Cape Cod, in the severest gale known to that coast for many years. This disaster is the first resulting in great loss of life which has occurred since the present system of conducting the service was established. A thorough investigation was directed to be made into the circumstances of the catastrophe, which proved that no fault attached to the service, but that the loss of life was wholly due to the fact that the persons upon the wreck were beyond the

reach of any known means of assistance from shore. To extend the range of the means of establishing effective communication between the shore and stranded vessels in cases where life-boats are not available, so as to protect the few points upon our coasts where vessels are liable to strand beyond the reach of the means now in use, has been and still is an object of special endeavor. Some of the most experienced officers connected with the service, aided by skillful officers detailed from the ordnance corps of the army, and the best manufacturers of ordnance, are engaged upon the problem, and it is gratifying to state that their experiments give promise of success.

The following is a statement of disasters to vessels which have occurred within the field of the operations of the service since the adoption of the present system in 1871, and the results of these disasters. It should be observed that during the season of 1871 and 1872, the service was limited to the coasts of Long Island and New Jersey, and during the seasons of 1872-'74 to Cape Cod, Long Island, and New Jersey:

Total number of wrecks.....	185
Total number of lives imperilled.....	2,583
Total number of lives saved.....	2,564
Total number of lives lost.....	19
Total number of shipwrecked persons sheltered at the stations.....	229
Total number of days' shelter afforded.....	1,207
Total value of property imperilled.....	\$6,293,658
Total value of property saved.....	4,514,756
Total value of property lost.....	1,742,908

Six of the stations authorized to be established between Cape Henlopen and Cape Charles have been erected during the past year, and are now occupied by crews. The remaining two are nearly completed.

The houses of refuge authorized for the Florida coast and the stations for the great lakes, except Lake Superior, are being built under contract, as are also those for Point Judith and Eaton's Neck, Long Island Sound.

Sites for the stations provided for the Pacific coast and Lake Superior have been selected, and proposals for their construction will be invited at an early day. Upon the completion of these stations it is believed that our coasts will be as well protected in this manner as the interests of commerce and humanity require, and due regard for economy will justify.

LIGHT-HOUSE SERVICE.

The light-house establishment, which is the largest in the world, and whose charge embraces ocean, lake, and river lines of unequalled extent, steadily increases in usefulness to commercial and maritime interests. During the past year it has established seventeen light-houses and two hundred and eighty beacon lights on the Western rivers, together with twenty one buoys. The present number of aids to navigation in the United States is 622 light-houses, 23 light-ships, 45 fog-signals, 358 day-beacons, 280 river lights, and 2,880 buoys.

Since the date of the last report the Light-house Board, in view of the fact that mineral oil is coming into use in France and England for light-house illumination, has made, through its scientific members, extensive experiments in the mineral oils of this country in order to ascertain whether a suitable material of home production can be had for this purpose. The experiments, so far as prosecuted, induce the belief that a proper mineral oil can probably be obtained from our own manufacturers, and perhaps at considerably reduced expense. Its introduction involves an entire change in the lamps now used, and if this can be effected at a reasonable cost, it is proposed to put the oil on trial in a number of light-houses of the least importance, which is the course pursued in the European light-house establishments, when, if found satisfactory, it will be tried in the larger and more important ones.

An elaborate and extensive series of experiments has also been made in regard to sound, as applied to fog-signals, with results valuable to science and the promise of much practical utility to navigators.

The most signal work of the Establishment during the past year has been the commencement of the lighting and buoyage of the Mississippi, Missouri and Ohio rivers, in conformity with the act of Congress approved June 23, 1874. The rivers have been divided into two light-house districts, with proper officers assigned to each. The means employed for lighting have been substantial lens lanterns, which are placed with regard to the tortuous character of the stream, at intervals of rarely more than two miles distance. Mineral oil is used, and a bright light shown in the stormiest weather. The lights are attended by men, procured at a small compensation from among the residents on the rivers, who have generally proved trustworthy. At specially dangerous points buoys have been placed as day-marks. The narrow and crooked channels of these rivers, and the presence of hidden obstructions, make their navigation at many points extremely perilous, and the best pilots cannot always avert disaster. The work of lighting them is reported to give satisfaction to the extensive shipping interests of the interior, passage now being practicable at all times where it was before attended with difficulty and danger. To complete the work an additional number of lights and buoys will be needed, and the appropriation for maintaining them must necessarily be increased.

A light-ship for Winter Harbor Shoal, and one for general service, appropriated for by act of March 3, 1873, are nearly completed. They are noticeable as being the strongest and largest vessels ever built for the establishment, and as having steam fog-signals, which will be of great service to mariners.

Estimates are presented by the Board for two new steam buoy-tenders for the Atlantic coast, to replace vessels which are worn out, too small and of too little power for the service required of them, and which are constantly in need of expensive repairs. An estimate is also presented for an additional steam-tender for the Pacific coast, the single one in use being insufficient for the ser-

vice of that seaboard, and the frequent chartering, at high rates, of private vessels being consequently necessitated.

In its estimate for light-house supplies, the Board includes a provision for the purchase of a small number of books for light-stations, especially those most remote, according to the usage of the French and English light-house establishments. A small quantity of reading matter at the light-stations, to be kept and accounted for as public property, might, it is suggested, form the nucleus for considerable donations from private sources; and the libraries so formed would conduce, as in other countries, towards making the light keepers more contented with their isolated positions, and less disposed to absent themselves from the place of their duties, besides exerting a general good influence.

MARINE-HOSPITAL SERVICE.

As provided by the act of March 3, 1875, "to promote economy and efficiency in the marine-hospital service," a seaman's time-book has been issued, but it is yet too early to state definitely the effect of its introduction on the collection of hospital dues.

Hospital relief is now extended to certain seamen, who, previous to the passage of said act, were excluded from the benefits of the service. This service now furnishes care and treatment to foreign seamen, sick and destitute American seamen returned to the United States from foreign ports by United States consular officers, sick and disabled seamen belonging to vessels of the Engineer Corps of the Army, and to vessels of the Navy where no other provision has been made for them, and to seamen of the vessels of the Coast Survey and Light house service, while insane patients of the Marine-hospital service are admitted to the Government Hospital for the Insane.

No considerable repairs have been made to the marine-hospital buildings for several years, and as none of the old hospitals can be so modified as to answer the requirements of the present state of knowledge concerning hospital construction, any large outlay on them is deemed inadvisable. Experience would seem to indicate that extensive and costly alterations and repairs require to be frequently renewed, and, therefore, the erection of comparatively inexpensive pavilion wards, in accordance with the most approved plans of recognized authorities on this subject, is deemed desirable.

The old marine-hospital buildings and grounds at Pittsburgh, Pa., were sold during the year, under the act of June 22, 1874, for \$37,167 79, and a new site purchased for \$30,000. The erection of the new hospital at that place, has not been commenced, however, owing to the fact that the amount (\$20,550 96) realized from the sale of a portion of the grounds in 1870 is not available for this purpose without the action of Congress.

The unusual amount of suffering and disease among seamen and sailors who were exposed to the severe cold of the last winter, caused a marked increase in the demand for relief from the marine-hospital fund, and a large number of persons enjoyed the benefits of the service than in any previous year. Fifteen thousand and nine sick and disabled seamen were treated during the year, and the aggregate number of days' relief furnished is four hundred and five thousand six hundred and sixty-five. The total expenditure for the year was \$404,390 60, and the amount of hospital dues collected \$338,893 78.

STEAMBOAT-INSPECTION SERVICE.

The Supervising Inspector General of Steam Vessels reports the following matters of interest connected with this service for the fiscal year ending June 30, 1875:

Number of officers employed in the service 108
Number of steam vessels inspected during the year 3,885
Aggregate tonnage of steam vessels inspected 1,018,151 82
Number of officers licensed 14,571

The number of lives lost by various accidents to steam vessels is as follows:

By explosion or accidental escape of steam 51
By steamers burned 475
By collisions 17
By snagging, wreck, and founder 64

Total number of lives lost 607

Of this number four hundred and one were Chinese passengers lost by the burning of the American steamship Japan on the coast of China, December 17, 1874, leaving the total of other losses during the year but 206, which is an unusually small number.

The gross receipts from the inspection of steam vessels and officers licensed are \$260,944 75
Disbursements in payment of salaries, travelling and incidental expenses of inspectors 212,322 02

This service is generally in a highly efficient and satisfactory condition, and it is believed that, under the operation of the laws for this purpose, a degree of safety to life on steam vessels has been secured equal to all reasonable anticipation.

It is recommended that provision be made for the annual meeting of the Board of Supervising Inspectors in September of each year, at such place as the Secretary of the Treasury shall designate, instead of on the third Wednesday of January at the city of Washington, as now provided by section 4,405, Revised Statutes.

THE REDEMPTION AGENCY FOR NATIONAL BANK.

There have been redeemed, under the act of June 20, 1874, circulating notes of national banks amounting to \$130,322,945. Of this amount, \$15,213,500 were forwarded to the respective associations by which the notes were issued, and \$115,109,445, unfit for use, delivered to the Comptroller of the Currency for destruction. The aggregate expense of this redemption was \$290,965 87, each bank paying its share thereof, in proportion to its circulating notes so redeemed.

At the commencement of the current fiscal year the division organized under the above act came, in accordance with the third

section of the act of March 3, 1875, under the direction of the Secretary, having been, prior to that time, attached to the Treasurer's office, and no specific authority given the Secretary over its operations.

REPORTS OF BUREAU OFFICERS.

The reports of the heads of bureaus are herewith transmitted, and referred to as containing statements and information of the business of the Department more in detail than could properly be embodied in this report. The Secretary gratefully acknowledges his indebtedness to the officers of the Department generally for the zeal and fidelity with which they have discharged their duties.

B. H. BRISTOW,
Secretary of the Treasury.

To the Honorable

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

REPORT OF THE COMPTROLLER OF THE CURRENCY.

TREASURY DEPARTMENT,
OFFICE OF THE COMPTROLLER OF THE CURRENCY,
WASHINGTON, D. C., November 29, 1875.

SIR: I have the honor to submit for the consideration of Congress, in compliance with section 333 of the Revised Statutes of the United States, the thirteenth annual report of the Comptroller of the Currency.

During the past year 107 banks have been organized, with an authorized capital of \$12,104,000, and \$4,794,180 of circulation; of which number two were gold banks, with \$200,000 capital and \$120,000 of circulation. Five banks have failed, with an aggregate capital of \$1,000,000; and 38 banks, with a total capital of \$3,920,000, have gone into voluntary liquidation by votes of shareholders owning two-thirds of their capital stock.

The total number of national banks organized since the establishment of the national-banking system is 2,307. Of these, 40 have failed, and 175 have gone into voluntary liquidation, leaving 2,092 in existence on November 1 of this year.

Three of these banks, located in the city of New York, have no circulation, and 241 have reduced their circulation and withdrawn a portion of their bonds, under the act of June 20, 1874, 117 of them having deposited legal tender notes and reduced the amount of their bonds on deposit as security for circulation to the minimum amount allowed by law.

Included in this aggregate are nine national gold banks, located in California, with a capital of \$4,700,000, and circulation of \$3,630,000.

The following table exhibits the resources and liabilities of the banks at the close of business on the first day of October, 1875—the date of their last report—the returns from New York, Boston, Philadelphia, and Baltimore, from other redemption cities, and from the remaining banks of the country, being tabulated separately:

	N. York City.	Boston, Phil. and Balt. n're	Other reserve cities.*	Country banks.	Aggregate
	43 banks.	97 banks.	91 banks.	1851 banks.	2087 banks.
Resources.					
Loans and discounts	\$	\$	\$	\$	\$
On U. S. bonds on demand	4,961,674	722,100		499,419,832	960,232,951
On other stocks, bonds, &c., on demand	50,179,334	14,781,910	9,565,896		
Payable in gold	5,431,778	22,000	26,596		
On single-name paper, with- out other security	16,255,100	9,222,315	8,691,194		
All other loans	12,384,229	149,633,251	85,401,021		
Overdrafts	9,325,816	15,711	430,310		
Bonds for circulation	21,808,100	32,220,700	29,635,630	263,671,329	317,321,760
Bonds for deposits	6,070	550,000	2,577,000	10,320,500	14,097,500
U. S. bonds on hand	7,856,550	5,487,000	1,918,370	3,546,400	13,899,320
Other stocks and bonds	10,819,888	5,481,071	5,816,351	15,891,000	35,208,045
Due from reserve agents	1,410,199	14,968,508	58,232,122	85,701,259	158,701,259
Due from other national banks	18,068,007	8,822,222	6,626,166	17,827,374	47,023,769
Due from other banks and banks	1,850,630	1,372,972	2,729,223	6,410,988	11,963,769
Real estate, furniture and fix- tures	9,455,469	5,900,045	5,183,178	21,295,030	41,866,648
Current expenses	1,779,532	821,971	801,938	4,439,235	7,811,213
Premiums	7,401,054	60,178	814,851	5,841,131	13,677,014
Checks and other cash items	2,077,648	967,670	557,127	5,734,321	12,738,773
Exchanges for clearing house	50,167,797	18,727,234	4,932,344		75,127,375
Bills of other national banks	1,400,920	3,840,408	2,044,741	10,827,200	18,513,269
Fractional currency	252,821	168,221	21,575		2,500,681
Specie	4,955,625	601,935	882,707	1,555,034	5,060,300
Legal tender notes	17,040,091	18,692,970	12,928,635	52,770,028	76,451,724
U. S. certificates of deposit	37,400,000	7,805,000	2,707,000	900,000	48,812,000
Five per cent redemption fund	1,075,044	2,231,138	1,766,741	11,562,219	16,235,152
Due from U. S. Treasurer	232,300	842,911	325,193	2,008,339	3,433,768
Totals	329,755,484	316,696,344	199,797,830	973,936,060	1,822,203,303
Liabilities.					
Capital stock	69,400,000	80,366,985	43,435,905	307,545,879	501,828,769
Surplus fund	22,515,490	33,158,578	13,774,320	74,938,688	134,387,076
Undivided profits	11,943,300	5,371,320	4,651,371	30,938,557	52,965,954
National bank notes outstanding	18,309,247	43,900,147	27,476,540	320,664,375	315,260,379
State bank notes outstanding	40,530	138,314	33,605	509,809	772,348
Dividends unpaid	228,460	1,709,611	132,592	1,182,932	4,003,295
Individual deposits	179,494,329	123,151,136	74,699,499	293,231,685	676,576,649
U. S. deposits	397,411	246,344	1,121,513	4,842,231	6,607,531
Deposits of U. S. disbursing officers	3,366	13,608	874,346	3,337,381	4,321,196
Due to national banks	69,000,215	23,800,207	17,044,016	14,225,263	123,810,683
Due to other banks and banks	2,176,236	7,265,178	10,908,958	6,530,641	49,918,531
Note and bills re-discounted	175,447	817,623	4,261,083	5,254,438	5,254,438
Bills payable	125,000	1,729,151	1,309,132	2,926,361	6,500,254
Totals	389,758,084	316,696,344	199,797,830	973,936,060	1,822,203,303

* The reserve cities, in addition to New York, Boston, Philadelphia, and Baltimore, are Albany, Pittsburgh, Washington, New Orleans, Louisville, Cincinnati, Cleveland, Chicago, Detroit, Milwaukee, St. Louis and San Francisco.

(A table exhibiting the resources and liabilities of the national banks in operation, at corresponding periods for the previous five years, will be found in the CHRONICLE of Dec. 12, 1874, page 603.)

THE NATIONAL BANKING SYSTEM.

(The Comptroller, under this head, examines the proposition to substitute Treasury notes in place of national bank notes, and for that purpose first reviews the legislation and discussions in 1812 and 1863 with regard to Treasury notes and bank issues, which portions of his report we are compelled to omit. After

that he notices the objections now made to our national bank system.)

MONOPOLY.

One of the principal objections urged against the national banking system is that it is a monopoly; moreover, that it is a monopoly authorized and continued at the expense of the Government.

A monopoly is a privilege; something so valuable that it commands a premium, and which its owner does not willingly surrender without a struggle. But the national banks have, since the passage of the act of June 20, 1874, voluntarily surrendered more than \$33,000,000 of their circulation; and forty-three banks, with a capital of \$5,040,000, have since that date gone into liquidation, chiefly for the reason that the privilege of circulation is not a profitable one, and because the restrictions of the system are onerous in comparison with those imposed by State legislatures. If the national bank act contained no restrictions upon the banks, or imposed no taxes upon their circulation, and if currency were issued to them equal in amount to the value of the bonds deposited, then the interest received by them upon the bonds would, it is granted, be in the nature of a gratuity. This condition of things was true in some of the States previous to the organization of the national banking system; but it has not at any time been true of the national banks.

PROFIT ON CIRCULATION.

A very erroneous idea prevails as to the amount of profit derived by the national banks from their circulation; but to show that the profit from this source is not nearly so great as is supposed by many persons, it is only necessary to take into consideration the amount of capital the banks necessarily invest in the United States bonds required to secure their circulation, with the legal restrictions that govern their business, and then to compare the combined income received by them on their bonds and circulation with that which would be received on the same capital loaned on bond and mortgage security, but free from the restrictions governing national banks. On November 1, 1875, there was on deposit with the Treasurer, as security for the circulation of the national banks, \$367,549,412 in the various classes of bonds of the United States, as will be seen by reference to a subsequent page of this report. If from this sum be deducted the amount held as security for the notes of the national gold banks, and also the amount deposited in excess of that required by law to secure the circulation issued upon them, there will remain \$381,498,112 of bonds, worth, in currency, on the day named, \$425,840,533. The table below exhibits the various classes and amounts of these bonds, their currency value at the date mentioned, the amount of circulation issued thereon, and the amount of interest derived from them, both in gold and in currency value, gold being quoted on that day at 116:

Class of Bonds.	Par value.	Currency value.	Circulation issued.	Gold interest.	Currency value of interest.
6s of 1881.....	\$32,781,050	\$100,578,976	\$74,502,945	\$4,968,893	\$5,761,561
3-20s of 1885.....	7,056,600	8,256,169	6,350,339	423,396	491,139
5-20s of 1865 (new)...	6,536,650	7,811,297	5,888,985	328,199	454,951
5-20s of 1867.....	10,282,100	12,467,046	9,353,890	616,926	715,624
5-20s of 1868.....	2,981,000	3,629,367	2,682,900	178,860	207,473
10-40s of 1864.....	97,974,150	118,772,482	88,176,735	4,898,708	5,683,501
5s of 1881.....	141,072,050	163,407,238	136,964,845	7,053,602	8,193,178
Pacific RR. bonds.....	12,814,512	15,857,958	11,538,061	.....	763,870
Totals.....	\$361,498,112	\$425,840,533	\$335,948,260	\$18,530,554	\$22,264,312

If there be deducted from the amount of capital required to purchase these bonds (\$425,840,533), the amount of premium which they bore on November 1, 1875, (\$64,242,421) as well as the ten per cent margin for which no circulation is issued (\$36,149,811), the available means of the banks will be reduced from \$425,840,533 to \$325,348,260.

The bonds representing this amount of capital consisted, as appears by the table, of \$339,046,200 of five per cent and \$109,637,400 of six per cent gold-bearing bonds, together with \$12,814,512 of Pacific Railroad bonds issued by the Government, and bearing interest at the rate of six per cent per annum in currency. The annual interest on these bonds amounts to \$18,530,554 in gold and \$768,870 in currency, the total currency value of the interest at the date named, with gold at 116, being \$22,264,312. As the banks are required to pay into the Treasury of the United States one per cent of their circulation (or \$3,253,483) as a tax thereon, they have left \$19,010,830 in currency as the net amount of interest received by them on their bonds.

On receiving their circulation, they are required by the act of June 20, 1874, to place an amount equal to five per cent thereof (or \$16,267,413) with the Treasurer of the United States as a redemption fund, leaving, of the \$335,348,260 that their bonds secure, \$309,080,847, only, available for use; which amount, if loaned at eight per cent per annum (estimated as the average rate throughout the country), will produce an income of \$24,726,467, and this, added to the net interest received on the bonds (\$19,010,830) gives \$43,737,297 as the whole income derived by the national banks from their circulation and from the bonds deposited to secure it. The capital used to purchase the bonds (\$425,840,533), if loaned at eight per cent annual interest, would produce an annual income of \$34,067,042, and the difference, which is \$9,670,055, or two and one-quarter per cent on the capital, represents the profit that the banks receive over and above what could be obtained from the loan of the same amount of capital at the rate of interest named. This is concisely shown as follows:

Interest on \$309,080,847 of circulation, loaned at 8 per cent.....	\$24,726,467
Interest on U. S. bonds (\$768,870 currency, \$18,530,554 gold).....	19,010,830
Premium, at 16 per cent, on \$18,530,554 gold interest.....	2,964,988
Total.....	\$46,702,285

Less tax on circulation.....	3,253,483
Total profit on capital employed.....	\$43,448,802
The total capital, loaned directly at 8 per cent, would earn.....	\$1,067,342
Difference, which represents profit on circulation.....	\$42,381,460

Two and one-fourth per cent of the capital employed (\$425,840,533) is \$9,591,412, which, as shown above, is about the value of circulation to the national banks of the country. In localities where the rate of interest is seven per cent, the value of circulation is somewhat less than two and three-fourths per cent, and where the rate is ten per cent the profit is less than one and three-fourths per cent.

The large margin—exceeding \$100,000,000—between the value of the bonds owned by the banks and the circulation issued thereon, would, in case of disaster, be available as a reserve for the payment of the depositors or other creditors; and this is an additional argument in favor of issuing circulation under the restrictions of the law, as now provided.

If specie payments should be reached within a few years, the premium paid by the national banks upon their bonds would be nearly if not entirely lost, while investments by private bankers and State banks of an equal amount of capital in loans on bond and mortgage would not suffer from any such depreciation. This loss has not been taken into consideration in the foregoing estimate. Another important consideration is that the average ratio of State taxation upon national banks during the year 1874 was somewhat more than two per cent upon capital. If the national banks should go into liquidation, and the owners of the bonds should continue to hold the same, the amount of State taxation saved to them would nearly equal the benefit which they now realize from circulation.

DIVIDENDS.

It is urged, as a further objection to the national banking system, that the dividends paid to stockholders are greater than the earnings of other corporations. It is true that some national banks which have accumulated a large surplus, or are organized in localities where the proportion of deposits to capital is large or the rate of interest high, as in the Western and Southern States do declare large dividends; but it is well known that, as a rule, the rates of interest charged on commercial paper by the national banks in their respective localities are less than those charged by State banks, private bankers and individuals. But the dividends and earnings of the national banks do not, as a rule, exceed by more than two per cent the current rates of interest authorized by law in the respective States; and this additional amount of profit is surely not too great a compensation for the risks and expenses incident to the business of banking, and to which capital loaned directly on mortgage security is not subject.

On a subsequent page of this report will be found tables showing for a series of years the amount and ratios of dividends to capital, to capital and surplus, and of earnings to capital and surplus, of the national banks in every State and principal city in the Union. But in order to further aid in correcting the prevalent error that exorbitant or extravagant profits are annually divided by them upon the amount of means invested, a tabular statement is subjoined showing corresponding ratios for the last six and a half years, in the several geographical sections of the country, and the average ratio for the whole period.

Geographical divisions.	Ratio of dividends to capital, for six months ending—											
	1869.		1870.		1871.		1872.		1873.		1874.	
	Sept. 1.	March 1.	Sept. 1.	March 1.	Sept. 1.	March 1.	Sept. 1.	March 1.	Sept. 1.	March 1.	Sept. 1.	March 1.
N. E. States..	5.2	5.1	5.0	5.1	4.9	5.0	4.9	5.1	5.1	4.9	4.9	4.8
Middle States..	5.3	5.1	4.9	5.0	4.9	5.1	4.9	5.1	5.0	4.8	5.0	4.8
South. States..	5.8	6.3	5.6	6.1	5.2	5.0	5.3	5.2	4.6	4.5	4.8	4.4
West'n States and Ter's..	6.1	5.4	5.0	5.7	5.2	5.3	5.9	5.5	5.0	5.6	5.4	5.3
United States..	5.4	5.2	5.0	5.2	5.0	5.1	5.1	5.2	5.1	4.8	5.1	4.9
Ratio of dividends to capital and surplus.												
N. E. States..	4.4	4.3	4.3	4.2	4.1	4.1	4.0	4.1	4.1	3.8	3.9	3.8
Middle States..	4.3	4.1	4.0	4.0	3.9	4.0	3.9	4.0	3.9	3.7	3.8	3.7
South. States..	5.3	5.6	5.0	5.5	4.8	4.7	4.9	4.7	4.2	3.9	4.3	3.8
West'n States and Ter's..	5.1	4.4	4.0	4.7	4.3	4.4	4.9	4.5	4.5	4.1	4.5	4.4
United States..	4.2	4.3	4.1	4.2	4.1	4.2	4.2	4.2	4.1	3.8	4.0	4.0

FAILURES OF NATIONAL BANKS.

The losses to creditors from the failures of banks prior to 1863 cannot be even approximately estimated, the only accessible data having reference solely to losses upon circulation. Mr. MacCulloch says that "the destruction of country banks in England has upon three different occasions, in 1793, in 1814-15-16, and in 1825-26, produced an extent of bankruptcy and misery that has never perhaps been equalled except by the Mississippi scheme in France. In 1826 forty-three commissions of bankruptcy were issued against country bankers, and from 1809 to 1830 no less than 811."

Elliot's Funding System gives a list of fifty-five banks in the United States, with an aggregate capital of \$67,036,365, which failed in 1841. The total bank capital in that year, as stated by Elliot, was \$317,642,692, and the failures therefore represented more than one-fifth of the entire bank capital of the country. It is further mentioned that, in nearly every instance, the capital invested in such failures was wholly lost. Of these fifty-five banks, twenty-five had been organized under the free banking system of New York, which was adopted in 1838, and represented a capital of \$3,327,965; and eleven were organized under the safety-fund system, with a capital of \$3,000,000. The failures in

Pennsylvania represented \$45,711,000 of capital, including the United States Bank of Pennsylvania, with a capital of \$35,000,000. The failures in Ohio represented \$3,377,169, in Illinois \$3,446,125, and in the city of New Orleans \$4,708,653 of capital. Corresponding facts respecting the State banks of this country in subsequent years, and especially in connection with the panic of 1857, will be remembered.

Since the organization of the national banking system in 1863, and down to October 1, 1875, thirty-eight national banks have failed, with a total capital of \$9,011,100, and with circulation amounting to \$5,874,893.

The whole number of banks which have failed, with their location and capital, claims proved and dividends paid, together with the estimated loss, is as follows:

States.	No. of banks.	Capital.	Claims proved.	Dividends.	Estimated loss.
Connecticut.....	1	\$60,000	\$68,986	\$67,606	\$1,379
New York.....	12	3,501,100	5,019,430	4,251,907	432,684
Pennsylvania.....	3	550,000	1,055,364	669,666	265,717
Illinois.....	3	800,000	1,001,816	128,922	593,810
Ohio.....	1	100,000	144,775	50,671	43,432
Indiana.....	2	100,000	206,998	46,611	84,825
Iowa.....	1	100,000	205,256	140,258	64,998
Kansas.....	1	100,000	55,349	24,898	
Utah.....	1	150,000	76,366	11,455	38,183
Nevada.....	1	250,000	169,512	135,850	16,861
District of Columbia.....	2	700,000	2,354,456	1,082,487	637,707
Virginia.....	3	700,000	1,343,252	501,614	754,832
Tennessee.....	1	100,000	276,982	65,335	311,597
Alabama.....	1	100,000	288,932	101,126	158,913
Mississippi.....	1	50,000	33,110	11,583	18,210
Arkansas.....	1	50,000	15,142	15,142	
Louisiana.....	3	1,600,000	2,327,248	1,048,443	508,715
Totals.....	38	\$9,011,100	\$14,672,106	\$8,322,877	\$3,984,503

In each of ten States in the above table there was a failure of one bank only, the aggregate capital of these ten banks being one million dollars. In twenty-two States and Territories, including all the New England States except Connecticut, with New Jersey, Delaware, Maryland, Kentucky, Missouri, Michigan, Wisconsin and Minnesota, there have been no failures.

The number of mercantile failures in the United States since 1869 is estimated at 26,880, with liabilities amounting to \$809,460,000. Of this number there were 3,974, with liabilities to the extent of \$218,908,350, in New York City alone. The number of failures of national banks which have occurred in the United States during the same period is twenty-two, with liabilities amounting to \$8,952,978. Upon this sum, dividends amounting to \$5,492,029 have already been paid, and it is thought that a large proportion of the remaining indebtedness will yet be liquidated; the total loss to depositors and other creditors being estimated at \$1,810,040, or an average of about twenty and one-fifth per cent of their claims. In New York City the number of failures of national banks during the same time was five; liabilities, \$3,120,436; estimated amount of loss, \$178,830. * * *

SURPLUS.

The few failures of national banks, and the comparatively small proportion of loss which has resulted to their creditors from this cause, may, in great measure, be attributed to the beneficial restrictions of the act, under which a large amount of surplus has accumulated since the organization of the system, and which surplus is a perpetual and increasing fund to which losses and bad debts may be charged. The following table exhibits the amount and increase of the surplus fund, semi-annually, from 1863 to the present time:

Date.	Number of banks.	Amount of surplus.	Semi-annual increase.
July, 1864.....	467	\$1,129,910	
January, 1865.....	638	8,663,311	\$7,533,401
July, 1865.....	1234	31,303,566	22,640,255
January, 1866.....	1582	43,000,371	11,696,805
July, 1866.....	1931	50,151,992	7,151,621
January, 1867.....	1648	59,952,875	9,800,883
July, 1867.....	1836	63,231,511	3,278,636
January, 1868.....	1614	70,586,126	7,354,615
July, 1868.....	1640	75,810,119	5,223,993
January, 1869.....	1638	81,169,937	5,359,818
June, 1869.....	1619	82,318,576	1,048,639
January, 1870.....	1615	90,174,381	7,855,705
June, 1870.....	1612	91,689,834	1,515,453
December, 1870.....	1648	94,705,740	3,015,906
June, 1871.....	1723	98,321,304	3,615,564
December, 1871.....	1720	101,573,154	3,251,850
June, 1872.....	1853	105,181,943	3,608,789
December, 1872.....	1940	111,410,349	6,228,406
June, 1873.....	1968	116,847,455	5,437,106
December, 1873.....	1976	120,961,268	4,113,813
June, 1874.....	1963	125,339,806	5,378,538
December, 1874.....	2027	130,435,641	5,095,835
June, 1875.....	2076	133,119,095	2,683,454

The great increase in this fund during the years 1865 and 1866 was largely owing to the conversion, in those years, of State institutions into national banks; but prior to the organization of this system there was not, that I am aware, any provision of law requiring banks to carry any portion of their net earnings to a surplus fund. The act provides not only that a national bank shall, before the declaration of a dividend, carry one-tenth part of its net profits of the preceding half year to its surplus fund, until the same shall amount to twenty per centum of its capital, but that losses and bad debts shall be deducted from its net profits before any dividend shall be declared. It further provides that all debts due to an association on which interest is due and unpaid for a period of six months, unless the same are well secured and in process of collection, shall be considered bad debts within the meaning of the law. And this provision is construed to include stocks and bonds upon which interest is past due, as well as promissory notes.

(We omit remarks on "Publicity," and "Consolidation of National Debt.")

NATIONAL BANK CIRCULATION.

* * * The re-distribution of circulation, as contemplated by the act of March 3, 1865, was found to be impracticable, for reasons given in previous reports of the Comptroller; and a subsequent act, approved June 20, 1874, provided for a system of redemption of national bank notes at the Treasury Department, and a re-distribution of \$55,000,000 of circulation, under an apportionment made on the basis of population and wealth as shown by the returns of the census of 1870. The same act authorized the deposit by any national bank of lawful money with the Treasurer, in sums of not less than \$9,000, for the purpose of retiring circulating notes, and the withdrawal by them of bonds held as security for such notes. Under this provision a greater amount of circulation has been voluntarily surrendered than was needed to supply applications therefor.

* * * The following table exhibits, by States, the number of national banks organized, with their capital and circulation, together with the circulation issued to banks previously organized, and the circulation voluntarily returned and destroyed, from June 20, 1874, to January 14, 1875:

States and Territories.	No. of banks.	Capital.	Circulation issued.			Circulation retired.		
			To new banks.	To old banks.	Total.	Under act of June 20, 1874.	Liquidating banks.	Total.
Maine.....	1	\$50,000	\$45,000		\$45,000		\$1,000	\$1,000
Massachusetts.....	1	100,000	30,000		30,000			
Rhode Island.....						\$82,000		82,000
Connecticut.....						27,000		27,000
New York.....						729,750	165,463	895,213
Pennsylvania.....	1	200,000	45,000		45,000	26,100	21,040	47,140
Maryland.....						\$138,000	138,000	1,165
Dist. Columbia.....						74,300	74,300	75,035
Virginia.....			18,000	18,000	36,000	9,506	9,506	9,506
West Virginia.....			58,500	58,500				
North Carolina.....						62,300		62,300
South Carolina.....						12,400	1,380	13,780
Georgia.....			45,000	45,000	45,000			
Florida.....	2	100,000	45,000	45,000	45,000			
Alabama.....						41,900	120,500	162,400
Louisiana.....	2	200,000	61,500	61,500				
Texas.....							500	500
Arkansas.....	10	1,694,000	1,319,400	121,700	1,441,100		5,700	5,700
Kentucky.....	4	250,000	189,000		189,000	4,989	51,500	56,489
Tennessee.....						448,760	30,194	479,054
Missouri.....	4	300,000	211,500	113,710	325,210	41,000	72,245	113,245
Indiana.....	12	1,075,000	895,500	4,370	944,070	115,500	17,170	132,670
Illinois.....	8	450,000	361,450	104,320	465,800	232,310	87,313	319,623
Michigan.....	4	200,000	120,600	83,320	203,920	63,700	5,500	69,200
Wisconsin.....	1	50,000	27,000	22,500	49,500	24,800	18,152	37,952
Iowa.....	6	350,000	261,000	63,000	324,000	8,100	26,940	35,040
Minnesota.....	1	50,000	36,000	9,000	45,000	9,000	4,358	13,358
Kansas.....	1	100,000	30,600		30,600	2,100	7,600	9,700
Colorado.....	2	200,000	75,000		75,000		8,165	8,165
Utah.....						43,600	4,606	48,206
Montana.....							4,000	4,000
Totals.....	60	5,369,000	3,753,580	980,920	4,734,500	1,975,319	791,913	2,767,232

The act of January 14, 1875, approved since the date of my last report, repealed all laws which limited the aggregate amount of national bank circulation, and also the laws (above referred to) which provided for its withdrawal and redistribution. It further authorized the unlimited issue of circulation to banks organized, or to be organized, under existing laws, but made it the duty of the Secretary of the Treasury to retire legal tender notes to the extent of eighty per cent of the additional national bank notes issued, until their amount should be reduced to \$300,000,000.

Between the date of this act and November 1, following, eighty-nine banks were organized, with an aggregate capital of \$10,554,100 and \$3,750,680 of circulation. Additional circulation, amounting to \$7,335,995, was also issued to national banks organized previous to the date of the act last mentioned, making a total issue, since January 14, of \$10,986,675. Legal-tender notes, amounting to \$8,768,756, have, under the provisions of the law, been withdrawn from circulation and destroyed, leaving the amount of such notes outstanding on November 1, 1875, \$373,236,344. During the same period \$14,570,805 of national bank notes were redeemed by the Treasurer, and \$2,690,918 surrendered to this office, none of which has been re-issued. The actual decrease, therefore, in national bank circulation has, since Jan. 14, 1875, been \$6,774,548.

The total circulation issued to national banks under the acts of June 20, 1874, and Jan. 14, 1875, was, on Nov. 1 of this year, \$15,721,175, during which time \$30,038,455 of their notes were redeemed or surrendered and destroyed; the decrease in total circulation during this period being \$4,807,280. The whole amount of legal tender notes deposited with the Treasurer under the act of June 20, 1874, by banks now in operation, for the purpose of retiring circulation, was \$27,552,329, which amount was deposited by 241 banks. There was also deposited by banks in liquidation, \$6,210,175, to which must be added a balance of \$3,813,675 remaining from deposits made by liquidating banks prior to that date; making a total of \$37,576,179 thus deposited. Deducting from this sum the amount of circulating notes which, during that period, was redeemed and destroyed and for which no re-issue was made, there remained on November 1, of legal tender notes on deposit with the Treasurer for the purpose mentioned, \$30,238,643, which amount will doubtless be increased from month to month; so that the extent of withdrawals of national bank notes during the current year will probably exceed that of their issue.

The following table exhibits, by States, the issue and retirement of circulation from June 20, 1874, to Nov. 1, 1875:

States and Territories.	Circulation issued.	Circulation retired.	
		Under act of June 20, 1874.	Of liquidating banks.
Maine.....	\$479,140		\$20,469
New Hampshire.....	201,860		11,815
Vermont.....	434,870		11,329
Massachusetts.....	3,791,485	\$469,107	45,130
Rhode Island.....	108,100	133,900	
Connecticut.....	525,850	158,319	12,485
New York.....	1,166,080	4,610,394	778,641
New Jersey.....	360,030	148,083	8,962
Pennsylvania.....	2,183,930	165,396	194,523
Delaware.....	1,000		
Maryland.....	78,310	23,735	69,093
District of Columbia.....	144,300		332,406
Virginia.....	191,850	93,135	408,130
West Virginia.....	99,080	54,693	273,833
North Carolina.....	148,500	75,795	75,795
South Carolina.....		318,583	318,583
Georgia.....		36,906	30,965
Florida.....	45,000		
Alabama.....	63,000		670
Mississippi.....	31,130		2,750
Louisiana.....		190,392	411,990
Texas.....	61,500	39,023	39,023
Arkansas.....		14,789	2,705
Kentucky.....	1,810,500	174,389	13,812
Tennessee.....	134,000	141,168	204,879
Missouri.....		1,565,346	135,883
Ohio.....	589,730	133,339	274,363
Indiana.....	1,275,670	839,072	140,835
Illinois.....	628,000	1,709,253	632,072
Michigan.....	277,430	311,996	28,475
Wisconsin.....	50,400	250,817	135,210
Iowa.....	474,500	331,711	166,147
Minnesota.....	235,830	365,092	5,908
Kansas.....		34,043	132,545
Nebraska.....		40,480	30,480
Nevada.....			4,840
Colorado.....	73,000	1,800	8,375
Utah.....		139,512	58,333
Montana.....		22,899	10,770
Surrendered to this office and retired.....			2,690,918
Totals.....	\$15,721,175	\$12,729,814	\$4,607,723

The following table exhibits the total issue and retirement of national bank circulation, and the deposit and retirement of legal tender notes, monthly, from June 20, 1874, to November 1, 1875, the amounts issued and retired under each of the acts named being stated separately:

Months.	National bank circulation.		Legal tender notes.	
	Issued.	Retired.	Issued.	Retired.
June, 1874 (last 10 days).....	\$72,930	\$190,800	\$1,105,337	
July.....	715,390	100,000	3,169,043	
Aug.....	564,450		3,190,425	
Sept.....	1,232,570	209,269	1,153,409	
Oct.....	796,530	988,143	988,143	
Nov.....	781,500	130,500	258,167	
Dec.....	397,050	950,413	728,587	
Jan., 1875 (first 14 days).....	190,200	159,700	449,795	
Totals from June 20, '75 to Jan. 14, '75.....	\$4,734,500	\$2,767,232	\$11,042,897	
Jan., 1875 (last 17 days).....	537,580	255,600	1,323,214	
Feb.....	1,062,440	1,139,201	3,283,100	
Mar.....	1,956,580	589,200	2,875,448	
April.....	1,300,200	1,614,400	2,361,463	\$1,775,101
May.....	1,237,500	1,532,530	1,637,309	987,760
June.....	1,735,545	1,734,000	3,099,626	1,292,430
July.....	1,151,140	2,156,500	1,886,910	1,016,473
Aug.....	616,980	1,847,590	943,246	500,400
Sept.....	530,650	1,803,020	2,167,406	304,584
Oct.....	763,100	1,903,355	3,341,885	704,880
Totals from Jan. 14, to Nov. 1, '75.....	\$10,986,675	\$14,570,305	\$22,719,607	\$3,763,756
National bank notes surrendered to this office and retired.....		2,690,918		
Balance of legal tenders deposited by liquidating banks previous to June 20, 1874.....			3,813,675	
Grand totals.....	\$15,721,175	\$20,028,455	\$37,576,179	\$3,763,756

The following summary exhibits, concisely, the operation of the acts of June 20, 1874, and of January 14, 1875, down to November 1 of the present year:

National bank circulation outstanding June 20, 1874.....	\$349,894,123
Issued from June 20, 1874, to January 14, 1875.....	\$4,734,500
Redeemed and retired between same dates.....	2,767,232
Increase from June 20, 1874, to January 14, 1875.....	1,967,268
Amount outstanding January 14, 1875.....	\$351,861,450
Redeemed and retired from Jan. 14 to Nov. 1, 1875.....	\$14,570,305
Surrendered between same dates.....	2,690,918
Total redeemed and surrendered.....	\$17,261,223
Issued between same dates.....	10,986,675
Decrease from January 14 to November 1, 1875.....	6,274,548
Amount outstanding November 1, 1875.....	\$345,586,902
Balance of legal tender notes on deposit in the Treasury June 20, 1874, to redeem circulating notes of insolvent and liquidating banks.....	\$3,813,675
Deposited from June 20, 1874, to November 1, 1875, to redeem national bank circulation.....	38,763,504
Total.....	\$37,576,179
Circulation redeemed by Treasurer between same dates, without re-issue.....	17,937,537
Legal tender notes remaining on deposit November 1, 1875.....	\$30,238,642
Legal tender notes retired under act of January 14, 1875.....	8,763,756
Decrease of national bank notes from June 20, 1874, to Nov. 1, 1875.....	4,307,280

NATIONAL GOLD BANKS.

The national gold banks of the United States are nine in number, and are all located in the State of California. Their total capital, which on November 1, 1874, was \$3,650,000, has been

increased during the present year to \$4,700,000. Their aggregate circulation has also, during the same period, been increased from \$2,150,000 to \$2,630,000.

The National Gold Bank and Trust Company of San Francisco has deposited in the Treasury of the United States \$740,000 in gold for the purpose of retiring its circulating notes, \$340,000 of which was deposited during the present month. Two other gold banks, one at Stockton and the other at Petaluma, have deposited \$160,000 and \$40,000, respectively, for the same purpose, the total amount of specie so deposited being \$940,000; and their notes to that amount are now redeemable in gold both at the office of the assistant treasurer in San Francisco and at the Treasury in Washington.

By the act of June 20, 1874, the requirement of a reserve upon circulation was repealed; but this provision did not apply to the gold banks. The circulation of such banks is by law limited to eighty per cent of the par value of the United States bonds deposited by them; and as the estimated profit on circulation in California is only from one to two per cent (the legal rate of interest being ten per cent per annum), there can be little inducement for the organization of national gold banks in that State. It has been suggested that an increase to ninety per cent, in the ratio of notes issued to the bonds deposited, shall be authorized. This increase will, it is thought, be necessary, if additional gold banks are to be hereafter organized, and it is therefore recommended.

REDEMPTION.

It may be said that a bank is in good condition just in proportion as its business is conducted upon short credits, with its assets so held as to be available on brief notice.

An anomalous characteristic of the present system of redemption is that the legal tender note, in which the national bank note is redeemable, is of no more value in the market than the issues of the banks themselves; but the exchanging of one kind of paper for another has, no doubt, had the effect of reminding the weaker class of banks that the notes which they issue are not really money, but are simply promises to pay, and which are really to be paid in money to the holder on demand.

The following table exhibits the amount of national bank notes received monthly by the Comptroller of the Currency, from June 20, 1874, to November 1, 1875, and the amount received for the same period at the redemption agency of the Treasury:

Month.	Received by Comptroller.					Received at redemption agency.
	From banks for re-issue or surrendr.	From redemption agency for re-issue.	Of closed banks.	Under act of June 20, 1874.	Total.	
1874.						
June.....	\$1,017,235				\$1,017,235	\$10,338,171
July.....	2,703,361		\$100,000		2,803,361	9,938,366
Aug.....	592,215	\$1,117,600		\$60,409	1,770,224	7,823,976
Sept.....	526,641	8,827,750	155,100	380,016	9,890,107	5,608,491
October.....	328,834	9,827,870	295,800	444,200	10,896,704	10,666,907
Nov.....	167,191	10,687,090		489,400	11,343,681	11,301,804
Dec.....	98,578	10,865,995	124,446	479,400	11,568,419	6,828,805
Jan., 1875.....	377,185	6,134,100		255,700	6,866,985	
Totals.....	\$5,761,663	\$47,460,405	\$675,946	\$3,059,119	\$55,937,133	\$62,391,511
1875.						
Jan.....	\$354,555	\$6,572,600		\$354,100	\$7,381,355	\$9,552,093
Feb.....	38,025	12,265,680	\$515,071	515,600	13,365,386	13,169,743
Mar.....	79,961	11,775,890		932,300	12,793,911	15,250,942
April.....	54,880	11,634,500	923,100	919,700	12,531,180	17,296,133
May.....	33,837	10,885,600	591,630	1,309,800	12,821,067	19,636,453
June.....	292,340	14,414,800	949,800	1,796,100	16,553,040	18,231,907
July.....	134,540	7,128,500	583,400	908,600	8,755,040	19,257,094
Aug.....	254,680	7,670,300	20,500	1,685,996	9,961,476	15,774,037
Sept.....	45,345	6,628,955	635,900	1,884,720	8,714,920	18,348,393
October.....	406,000	5,424,900	640,376	1,328,549	7,799,805	15,536,008
Totals.....	\$1,595,103	\$94,501,685	\$3,810,977	\$11,070,345	\$110,978,120	\$187,044,984
Grand tot.....	\$7,356,766	\$141,962,100	\$4,486,923	\$13,129,464	\$166,935,253	\$319,386,445

* Last 10 days. † First 14 days. ‡ Last 17 days.

From the above table it will be seen that there was received at the redemption agency of the Treasury, from June 20, 1874, to November 1, 1875, \$219,336,445. Of this amount, \$92,000,000, or about forty-two per cent, was received from the banks in New York City. The total amount received by the Comptroller for destruction, from the redemption agency and from the national banks direct, was \$166,935,253; of which amount \$15,094,854 were issues of the banks of the city of New York; \$12,549,877, of those of the city of Boston; \$3,650,667, of Philadelphia; \$3,866,735, of Baltimore; \$3,141,600, of Pittsburgh; \$2,796,945, of Chicago; \$1,841,749, of Saint Louis; \$1,288,570, of Cincinnati; \$1,386,693, of New Orleans; \$1,110,780, of Albany; and of those of the other redemption cities, \$3,307,795.

The amount of national bank notes now outstanding upon which the charter number has been printed, is \$156,256,347, leaving \$101,960,555 of notes in circulation without such numbers.

The objection to the present system, on the part of the banks, is the expense, and there is no doubt that their complaints are entitled to consideration; for, under any true system of redemption, the correct principle is that the holder shall, at his own expense, present the note at the place of redemption, while, under the act of June 20, the expense of such presentation is borne by the association which issued the note. But there are good reasons for the continuance of the system as it is. If the transmitting bank is to bear the expense of presentation, in many instances the filthy and mutilated notes which should be retired will be paid out in order to avoid that expense, and at the same time banks in the chief commercial cities will be subject to charges which should be borne by those who have the benefit of the circulation. The expense to which the issuing banks are subject is in some degree counterbalanced by the privilege which they have of sending unassorted bank notes to the Treasury for redemption,

and by the repeal of the provision requiring reserve upon circulation. Letters upon this subject have been received by the Comptroller from the officers of many leading banks, and it is their almost universal opinion that the redemption of bank notes should, at least for the present, be performed by the government and not by private corporations.

Section 5173 of the Revised Statutes provides that the expenses of this office shall be paid out of the proceeds of the taxes or duties assessed and collected on the circulation of the national banks. This tax, from the organization of the system to July 1, 1857, amounts to \$80,886,937, while the expenses of the bureau and of the printing and preparation of the notes have been but \$3,689,617 84. The tax on deposits was imposed as a war tax; and as other similar war taxes have been repealed, the national banks claim that this tax also should be repealed. The amount of taxation to which the national banks are subject (the average rate, including State and national, being about four per cent. per annum) is much greater than that imposed upon any other capital in the country; and it seems but just that the tax on deposits should be remitted. Under existing law, the assenting, redemption and destruction of the notes of banks in liquidation, or which are retiring their circulation, is required to be done at the expense of the government. This expense has, during the past year, been borne chiefly by the banks; and the amount of this class of currency to be redeemed during the next year is estimated to be about one-eighth of the whole issue, for which purpose there will probably be on deposit with the government not less than an average of \$20,000,000, in addition to the redemption fund of about \$16,000,000.

If the tax on deposits be not repealed, the Comptroller recommends that Congress authorize an appropriation of an amount sufficient to defray the expenses of redemption, to be paid from taxes collected from the national banks, now amounting, annually, to more than seven millions of dollars. The banks will then still contribute the greater portion of the expense, through the permanent deposit by them of legal tenders in the Treasury as a redemption fund; while the trifling cost of redemption will be more than counterbalanced by the constant purification of the currency and the permanent reduction of exchange throughout the country to a minimum rate.

Under the present system of redemption the Treasurer transmits by express legal tender notes in payment of unassorted national bank notes received by him. Many of the banks prefer that such returns should be placed to their credit with their correspondents in the commercial cities; and if such transfers can be made at the option of the transmitting bank, a large amount of expense will be saved to them, and one of the principal objections to the present system obviated.

The following table exhibits the number and amount of national bank notes, of each denomination, which have been issued and redeemed since the organization of the system, and the number and amount outstanding on November 1, 1875:

Denominations.	Number.			Amount.		
	Issued.	Redeemed.	Outstanding.	Issued.	Redeemed.	Outstanding.
1.....	12,046,176	14,092,126	3,954,050	\$13,046,176	\$14,092,126	\$3,954,050
2.....	6,023,738	4,816,632	1,207,106	9,635,607	7,224,948	2,410,659
5.....	47,055,194	24,926,771	22,128,413	235,275,920	124,633,855	110,642,065
10.....	17,400,507	7,608,583	9,801,973	174,105,070	76,085,320	98,019,750
20.....	5,296,064	2,034,464	3,261,600	102,917,280	40,689,380	62,227,900
50.....	881,165	381,037	500,128	44,208,250	19,051,850	25,156,400
100.....	645,828	299,428	346,410	64,583,800	29,942,800	34,641,000
500.....	18,476	14,471	4,005	9,238,500	7,235,500	2,003,000
1,000.....	5,530	5,045	485	5,530,000	5,045,000	485,000
Add for fragments of notes lost or destr'd.						7,303
	93,401,692	54,148,500	41,253,193	668,988,000	325,511,977	343,476,023

* Deduct from the amount redeemed \$7,305 30 for payments of notes lost or destroyed.

The following table exhibits the increase and decrease, by number and amount, of each denomination of national bank notes issued during the year ending November 1, 1875; from which it will be seen that while the notes of the denominations of ones, twos and fives have largely decreased during the past year, there has been a considerable increase in the notes of higher denominations, particularly of the tens and twenties:

Denominations.	Number.		Amount.	
	Increase.	Decrease.	Increase.	Decrease.
1.....	.....	1,450,608	.....	\$1,450,608
2.....	.....	560,965	.....	1,111,930
5.....	.....	4,073,118	.....	29,365,890
10.....	877,606	.....	\$3,776,060	.....
20.....	301,099	.....	6,021,980	.....
50.....	67,734	.....	3,886,700	.....
100.....	50,500	.....	5,050,000	.....
500.....	.....	1,663	.....	831,500
1,000.....	.....	76	.....	75,000
Totals.....	796,989	6,086,484	\$18,231,740	\$23,844,623

The following table shows the amount of national bank notes received at this office and destroyed yearly, since the organization of the system:

Prior to November 1, 1865.....	\$175,490
During the year ending October 31, 1866.....	1,050,332
During the year ending October 31, 1867.....	3,401,423
During the year ending October 31, 1868.....	4,625,825
During the year ending October 31, 1869.....	8,608,729
During the year ending October 31, 1870.....	44,308,689
During the year ending October 31, 1871.....	21,344,047
During the year ending October 31, 1872.....	30,217,720
During the year ending October 31, 1873.....	36,439,171

During the year ending October 31, 1874.....	49,999,741
During the year ending October 31, 1875.....	137,697,696
Additional amount destroyed of notes of banks in liquidation.....	15,088,588
Total.....	\$325,504,771

TAXATION.

The Comptroller in September last issued a circular addressed to the national banks, requesting returns of State taxation for the years 1874 and 1875. The assessment for 1875 had not generally been made at that time, and the returns for that year were therefore meagre. The number of banks in operation during the year 1874 was nineteen hundred and seventy-seven, forty-one of which paid no State taxes because they were organized after the assessment for the year had been made, and thirty-six failed to reply. Returns were, however, received from nineteen hundred banks, having a capital of \$476,836,031. The thirty-six banks which made no returns had a capital of \$16,800,000.

The returns made to the Treasurer for 1874 were classified by States in this office, and the following table prepared, giving the amount of United States and State taxes and the rate of taxation in every State in the Union for that year.

States and Territories.	Amount of taxes.			Ratios to capital.		
	Capital.	United States.	State.	United States.	State.	Total.
Maine.....	\$9,654,019	\$111,403	\$192,290	\$303,693	1.2	2.0
New Hampshire.....	5,317,037	60,022	106,587	166,589	1.1	2.1
Vermont.....	7,822,712	88,152	132,267	220,449	1.1	2.2
Massachusetts.....	91,754,072	1,163,858	1,878,368	3,042,226	1.3	2.1
Rhode Island.....	20,504,800	201,317	324,540	525,857	1.0	2.1
Connecticut.....	25,424,620	271,801	439,402	711,203	1.1	2.2
New York.....	166,599,708	2,026,960	3,044,565	5,071,525	1.9	2.9
New Jersey.....	12,830,426	205,451	282,645	488,096	1.3	2.1
Pennsylvania.....	53,178,261	811,220	377,546	1,248,766	1.6	2.3
Delaware.....	1,523,125	20,708	6,690	27,428	1.4	1.8
Maryland.....	13,730,997	181,249	194,697	375,946	1.3	1.5
Dist. of Columbia.....	1,309,512	19,747	5,238	25,035	1.8	0.4
Virginia.....	3,580,913	54,957	62,307	107,164	1.5	1.6
West Virginia.....	2,375,216	33,484	34,507	67,991	1.4	1.8
North Carolina.....	2,173,338	30,237	38,601	68,838	1.4	1.9
South Carolina.....	3,156,230	34,421	111,654	146,075	1.1	3.6
Georgia.....	2,843,962	31,656	53,872	85,528	1.1	1.9
Alabama.....	1,674,885	18,746	32,329	44,085	1.2	1.7
Louisiana.....	4,000,000	61,642	62,370	123,912	1.5	1.4
Texas.....	1,054,897	14,384	22,863	37,247	1.4	2.3
Arkansas.....	205,000	2,488	8,030	10,518	1.2	3.1
Kentucky.....	9,076,127	103,635	47,655	151,290	1.1	0.8
Tennessee.....	3,457,897	50,290	70,844	121,134	1.5	2.2
Ohio.....	29,112,642	439,697	642,054	1,045,751	1.4	2.7
Indiana.....	7,936,404	214,977	429,585	644,562	1.3	2.0
Illinois.....	20,507,963	367,718	430,461	798,179	1.8	2.4
Michigan.....	10,098,162	134,052	149,730	283,772	1.3	1.5
Wisconsin.....	3,704,632	67,455	76,336	143,815	1.8	2.3
Iowa.....	6,048,562	98,421	117,115	215,536	1.6	2.1
Minnesota.....	4,398,096	63,221	76,876	140,100	1.6	2.0
Missouri.....	9,308,198	112,635	190,140	302,665	1.2	3.1
Kansas.....	1,753,232	28,182	41,867	69,049	1.6	3.3
Nebraska.....	1,022,000	20,883	34,322	55,165	2.0	3.3
Oregon.....	250,000	5,808	3,488	9,296	2.3	1.4
California.....	3,358,594	46,044	.....	46,044	1.4	.....
Colorado.....	743,121	16,988	10,750	27,738	2.3	2.1
Utah.....	439,402	5,387	4,137	9,524	1.2	1.4
New Mexico.....	300,000	3,718	3,158	6,868	1.2	1.1
Wyoming.....	100,000	1,697	1,184	2,871	1.4	2.5
Idaho.....	100,000	128	1,396	1,524	1.6	1.1
Dakota.....	50,000	614	1,222	1,836	1.2	2.5
Montana.....	250,000	6,777	8,190	14,967	1.9	2.3
Total.....	\$493,751,679	\$7,256,083	\$9,620,326	\$16,876,409	1.5	2.0

* Including the capital of banks from which returns of the amount of State taxation were not received.

Similar tables will be found in the appendix, giving returns by States for 1867 and 1869.

An examination of these three tables will show that the State of New York paid the highest bank taxes of any of the Eastern or Middle States, the United States taxes for that State in the years named being respectively 2.6, 2.6 and 1.9 per cent, and the State taxation 3.5, 2.7 and 2.8 per cent; totals in 1867 6.1 per cent, in 1869 5.3, and in 1874 4.8 per cent. The corresponding totals for New Jersey were, in 1867, 4.2; in 1869, 4.2, and in 1874, 3.6 per cent; for Pennsylvania, in 1867, 3; in 1869, 3.2; and in 1874, 2.3; for Massachusetts, in 1867, 4; in 1869, 3.7, and in 1874, 3.4; for Maine, 3.5, 3.9 and 3.2; New Hampshire, 3.8, 4.1 and 3.2; Connecticut, 3.3, 3.4 and 2.9; and in the remainder of the Eastern and Middle States more than 2 per cent in 1874, with the exception of Delaware, which paid but 1.8 per cent.

Of the Western States, the national banks in Ohio paid the following percentage of taxation: In the year 1867, 4.6; in the year 1869, 5.5, and in the year 1874, 3.6. In the State of Indiana for the same years the percentage was 3.7, 4.1 and 3.8. In Illinois it was 4.8, 4.8 and 4.0; in Michigan, 3.5, 3.2 and 2.8; in Missouri, 3.4, 3.7 and 3.3; in Wisconsin, 4.7, 4.9 and 4.1; Minnesota, 3.3, 4.2 and 3.5; Kansas, 4.5, 8.4 and 4.8; Nebraska, 7.1, 6.4 and 5.3.

Of the Southern States, South Carolina paid the following percentages: 3.4 in 1869 and 4.7 in 1874; Tennessee, 4.1, 2.7 and 3.7 in the three years named; and the remainder of the Southern States paid in 1874 more than 3 per cent, with the exception of Louisiana and Alabama, which paid 2.9, and of Kentucky, which paid but 1.6 per cent.

Returns were also received from the national banks in 1866, which were not tabulated by States. The United States taxes for that year were \$8,069,938; State taxes, \$7,949,451; total \$16,019,389.

An estimate of the total taxation of the national banks for the ten years ending in 1875 has been made, by assuming the rate of State taxation in the years in which no returns were made to this office to have been the same as the known rate in the years which immediately preceded them. For the years 1873 and 1874 the necessary allowance has been made in the estimate for the amount of the income and license tax and the stamp tax on promissory notes, which taxes had then been repealed. Such estimate is shown in the following table:

Years	Capital stock	Amount of Taxes.			Ratios to capital.		
		United States.	State.	Total.	United States.	State.	Total.
1866.	\$410,593,435	\$7,949,451	\$8,069,983	\$16,019,389	per ct.	per ct.	p. ct.
1867.	422,504,066	9,523,607	8,313,127	18,838,734	1.9	2.0	3.9
1868.	420,143,491	9,465,652	8,757,056	18,222,708	2.2	2.1	4.3
1869.	419,619,860	10,081,944	7,207,056	17,278,540	2.4	1.7	4.1
1870.	429,314,041	10,190,682	7,465,675	17,656,357	2.4	1.7	4.1
1871.	451,994,183	10,649,986	7,860,078	18,509,973	2.4	1.7	4.1
1872.	472,966,968	6,708,910	8,343,772	15,047,682	1.4	1.8	3.2
1873.	488,778,418	7,004,646	8,499,748	15,504,394	1.4	1.8	3.2
1874.	493,751,679	7,256,083	9,620,326	16,876,409	1.5	2.0	3.5
1875.	499,498,171	7,305,134	10,076,332	17,381,466	1.5	2.0	3.5

* Capital of banks reporting State taxes, \$476,836,031.

The Comptroller has heretofore, in his reports, called the attention of Congress to the fact that while the national banks are subject to a tax upon their entire capital (which can be easily ascertained from their books and reports) and not unfrequently upon the market value of their shares, the capital and shares of other corporations, the amount and value of which can be readily ascertained by appropriate legislation, are assessed at not one half of their value, while private firms and individuals are almost wholly exempted from bearing their share of the burden.

Letters recently received by the Comptroller from the presidents of two principal banks—one in the East and the other in the West—refer to this greatest of all economical subjects in such plain terms that he cannot forbear calling the attention of Congress to their suggestions. Many of the shareholders of the national banks depend for their income chiefly upon the earnings of these institutions; and it does not seem just that these thousands of shareholders shall, by any construction of law, be compelled to pay an undue proportion of the taxes of the country. It is submitted that the law, as now interpreted by different State courts and by assessors and collectors, is neither equitable nor honest.

Section 5214 of the Revised Statutes provides that the national banks shall pay to the Treasurer the following taxes: One per cent annually upon the average amount of notes in circulation, and one-half of one per cent annually upon the average amount of deposits, and the average amount of capital stock not invested in United States bonds.

The following table exhibits the amount of United States taxes* collected, annually, from the organization of the system (1863), to July 1, 1875; which amount has been collected without any expense whatever to the government except the compiling of the returns in the Treasury:

Year.	On circulation	On deposits.	On capital.	Aggregate.
1864.	\$53,696 97	\$95,811 25	\$18,402 23	\$167,310 45
1865.	735,247 59	1,087,130 86	133,351 15	1,955,629 60
1866.	2,106,783 39	2,633,103 77	406,347 74	5,146,235 90
1867.	2,388,636 78	2,650,180 07	321,811 36	5,440,628 21
1868.	2,946,343 07	2,564,143 44	316,781 67	5,817,268 18
1869.	2,957,416 73	2,614,513 58	312,918 64	5,884,838 95
1870.	2,949,744 13	2,614,767 61	375,962 26	5,940,474 00
1871.	3,987,021 69	2,802,840 85	385,222 12	6,175,174 67
1872.	3,193,570 63	3,121,954 37	389,356 27	6,704,910 67
1873.	3,233,453 39	3,194,331 51	7,004,646 83	7,004,646 83
1874.	3,404,433 11	3,209,967 72	469,048 02	7,083,448 85
1875.	3,233,405 89	3,514,310 39	5,747,176	7,205,134 94
Totals.	\$30,836,937 42	\$30,104,722 20	\$4,032,150 78	\$65,023,850 40

* The amount collected by the Commissioner of Internal Revenue from State banks, savings banks, and private banks and bankers, during the fiscal year ended June 30, 1875, was as follows:

On deposits.	\$2,973,360 27
On capital.	1,102,241 58
On circulation.	\$22,746 37
Total.	\$4,097,348 12

TWO CENT STAMP TAX ON BANK CHECKS.

The Secretary of the Treasury, upon the appeal of the Comptroller in April last, decided that examinations of national banks, made for the purpose of ascertaining whether the law requiring the affixing of the two-cent stamp upon bank checks was observed by them, could be conducted only by bank examiners appointed by this office; and this opinion has been since confirmed by the United States Court for the district of Pennsylvania. Since that time, in compliance with the request of the then Commissioner of Internal Revenue, copies of the reports of the examiners upon this subject have been regularly transmitted to that Office. The officers of internal revenue have considered it their duty to impose a penalty for any neglect to comply with this provision, the amount of the penalty being dependent upon the number of checks found unstamped. No penalty can be collected under the law unless the intent to defraud the government shall be made apparent. The national banks of Baltimore, and associations in many other localities, insisted that there was no intention to defraud; but that the few checks found unstamped were the result of inadvertence or of the poor sticking quality of the stamps. They have, however, paid under protest the penalties demanded, preferring this course rather than to be forced into litigation with the government. Of the whole number of banks examined since the decision of the Secretary, not more than five have been reported by the examiners as guilty of intentional fraud.

The revenue derived in the fiscal year ending June 30, 1874, from the sale of the two-cent stamps affixed to eight-drafts and checks, was \$1,502,549; the total face value of stamps manufactured during the fiscal year ending June 30, 1875, was \$1,944,163. The amount of income arising from the actual use of these stamps during any fiscal year cannot be accurately determined. The annoyance to the banks and to this Office growing out of the strict enforcement of this provision of the law, has been greater than that in reference to all the other restrictions of the national banking laws combined; and the Comptroller, believing that the amount of revenue derived from this source does not counterbalance the evils arising from the surveillance to which all banks and bankers are necessarily subjected thereby, and being satisfied that, in almost every instance, the failure to comply strictly with this requirement is chargeable to the carelessness of transient depositors or to the insufficiency of the mullage upon government stamps, urgently recommends the repeal of the provision requiring the affixing of the two-cent stamp upon bank checks.

DIVIDENDS AND EARNINGS.

Section 5219 of the Revised Statutes provides that the national banks shall report to the Comptroller, within ten days after declaring any dividend, the amount of such dividend, and the amount of net earnings in excess of such

* Of this amount, \$11,627 92 was derived from the tax of ten per cent upon unauthorized circulation.

dividend. From these returns the following table has been prepared, exhibiting the aggregate capital and surplus, total dividends and total net earnings of the national banks, with the ratio of dividends to capital, dividends to capital and surplus, and earnings to capital and surplus, for each half-year, commencing March 1, 1869, and ending September 1, 1875; from which it will be seen that the average dividends upon capital during the last year were less than ten per cent., while the ratio of dividends to capital and surplus was less than eight per cent.

Period of six months ending—	Number of banks.	Capital.		Surplus.		Total dividends.		Total net earnings.		Ratios.	
		\$	p. c.	\$	p. c.	\$	p. c.	\$	p. c.	Dividends to capital.	Earnings to capital and surplus.
Sept. 1, 1869.	1,431	401,650,803	82,105,848	21,767,831	39,231,184	5.4	1.4	5.4	1.4	5.4	1.4
Mar. 1, 1870.	1,571	416,366,991	86,118,210	21,479,098	38,996,934	5.7	1.4	5.7	1.4	5.7	1.4
Sept. 1, 1870.	1,601	425,317,104	91,620,343	21,060,343	36,813,885	4.9	1.4	4.9	1.4	4.9	1.4
Mar. 1, 1871.	1,606	428,699,165	94,672,401	22,205,150	37,213,162	5.1	1.4	5.1	1.4	5.1	1.4
Sept. 1, 1871.	1,693	445,969,394	98,396,591	22,125,370	37,315,311	4.9	1.4	4.9	1.4	4.9	1.4
Mar. 1, 1872.	1,730	450,993,706	99,431,343	22,589,826	37,502,559	5.7	1.4	5.7	1.4	5.7	1.4
Sept. 1, 1872.	1,839	465,676,023	105,181,542	23,897,289	39,574,891	5.9	1.4	5.9	1.4	5.9	1.4
Mar. 1, 1873.	1,912	475,916,683	114,237,338	24,309,461	41,926,478	5.9	1.4	5.9	1.4	5.9	1.4
Sept. 1, 1873.	1,955	438,100,951	114,118,848	24,833,032	41,122,000	5.9	1.4	5.9	1.4	5.9	1.4
Mar. 1, 1874.	1,967	440,510,323	123,469,859	25,539,991	41,544,120	6.1	1.4	6.1	1.4	6.1	1.4
Sept. 1, 1874.	1,971	489,938,234	123,364,039	24,923,307	40,086,811	5.9	1.4	5.9	1.4	5.9	1.4
Mar. 1, 1875.	2,007	493,568,881	131,560,637	24,751,811	40,136,007	5.9	1.4	5.9	1.4	5.9	1.4
Sept. 1, 1875.	2,047	497,864,833	134,121,649	24,317,728	40,500,317	6.8	1.4	6.8	1.4	6.8	1.4

The following table exhibits, in a concise form, the ratio of dividends to capital of the National banks in every State of the Union, and in the principal cities, semi-annually from March 1, 1871, to September 1, 1875:

States, Territories, and cities.	Ratios of dividends to capital for six months ending—									
	1871.		1872.		1873.		1874.		1875.	
	Mar. 1.	Sept. 1.	Mar. 1.	Sept. 1.	Mar. 1.	Sept. 1.	Mar. 1.	Sept. 1.	Mar. 1.	Sept. 1.
1 Maine.	5.2	5.1	5.1	5.2	5.5	5.5	6.1	5.4	5.3	5.3
2 New Hampshire.	4.8	4.7	4.6	4.6	4.7	4.3	4.8	4.9	5.0	4.9
3 Vermont.	4.7	4.3	4.6	4.7	5.3	4.0	4.0	4.6	4.7	4.6
4 Massachusetts.	5.4	5.3	5.1	5.4	5.3	5.1	5.1	5.2	5.2	5.3
5 Boston.	4.9	4.7	4.5	4.4	4.9	4.4	4.7	4.4	4.4	4.1
6 Rhode Island.	4.4	4.3	4.4	4.4	4.4	4.5	4.9	4.8	4.6	4.3
7 Connecticut.	5.3	5.2	5.3	5.3	5.4	5.2	5.1	5.2	5.2	5.4
8 New York.	4.8	4.4	4.7	4.4	5.1	4.6	4.7	4.5	5.0	4.6
9 New York City.	4.7	4.7	4.9	4.7	4.3	4.7	4.6	4.8	4.8	4.5
10 Albany.	5.3	4.9	5.1	5.2	5.4	4.9	5.3	5.0	5.3	4.9
11 New Jersey.	4.9	4.9	5.7	5.4	5.3	5.4	4.9	5.1	4.9	4.8
12 Pennsylvania.	5.3	5.2	5.1	5.3	5.0	5.2	4.8	5.1	4.9	5.0
13 Philadelphia.	4.9	5.7	5.7	5.8	5.8	5.8	5.7	5.7	5.8	5.5
14 Pittsburgh.	5.1	5.4	5.4	5.3	5.5	5.6	5.1	5.4	5.2	4.8
15 Delaware.	5.1	5.1	5.1	5.1	5.1	5.1	5.1	5.1	5.2	5.2
16 Maryland.	5.1	5.2	5.1	5.3	5.2	5.0	5.1	5.2	5.5	5.4
17 Baltimore.	4.8	4.7	5.1	5.2	5.1	5.0	4.9	5.7	5.1	5.1
18 District of Columbia.	5.0	5.0	4.6	4.0	4.0	4.0	4.0	4.0	4.0	4.0
19 Washington.	5.0	5.0	2.6	4.6	5.0	4.6	2.4	5.0	4.7	4.7
20 Virginia.	4.7	4.3	4.9	4.7	4.8	4.1	4.7	4.3	4.6	4.6
21 West Virginia.	5.3	4.1	5.4	5.3	5.3	5.4	4.5	4.3	5.0	5.1
22 North Carolina.	4.8	4.4	6.0	5.0	5.3	5.5	4.6	4.7	4.3	4.2
23 South Carolina.	6.0	5.4	5.4	5.1	4.2	4.8	4.1	4.3	4.8	4.4
24 Georgia.	9.3	5.3	4.1	5.3	5.3	5.2	5.4	5.3	5.1	3.7
25 Florida.	...	...	...	...	...	...	...	...	...	...
26 Alabama.	5.6	5.4	6.4	4.3	5.0	4.7	5.8	4.2	5.3	4.9
27 New Orleans.	6.1	5.2	5.6	5.5	5.3	5.4	2.5	3.6	2.9	4.1
28 Texas.	1.9	5.1	4.4	7.7	11.2	8.9	5.8	9.3	3.4	2.6
29 Arkansas.	...	...	...	...	...	...	...	...	...	...
30 Kentucky.	5.0	4.6	4.9	4.8	4.9	4.7	4.6	4.8	4.1	4.5
31 Louisville.	5.0	11.0	5.4	5.0	5.1	4.5	3.7	5.0	6.0	4.7
32 Tennessee.	8.6	5.6	5.8	6.0	5.6	5.7	4.7	5.4	4.9	5.3
33 Ohio.	5.7	5.6	5.8	6.0	5.7	5.6	5.0	5.8	5.3	5.3
34 Cincinnati.	4.3	5.4	4.9	5.4	4.9	5.5	4.9	5.2	4.9	5.1
35 Cleveland.	3.0	3.9	4.2	5.1	4.9	4.7	3.7	4.9	4.9	5.3
36 Indiana.	6.0	5.6	5.4	5.9	6.3	5.2	4.8	5.1	5.6	5.3
37 Illinois.	6.3	6.1	5.7	5.5	5.6	6.2	5.7	7.0	5.8	5.0
38 Chicago.	4.8	5.0	...	6.3	4.1	5.1	4.0	3.2	3.5	4.4
39 Michigan.	6.1	5.1	6.5	6.1	6.2	5.5	5.3	4.8	5.6	5.4
40 Detroit.	5.0	5.6	5.3	5.0	5.9	5.3	5.5	5.5	5.8	5.5
41 Wisconsin.	9.8	4.1	4.9	4.9	5.5	5.3	7.1	5.9	6.9	6.1
42 Milwaukee.	5.3	4.6	4.9	19.0	5.9	5.9	4.6	4.9	4.9	5.3
43 Iowa.	5.2	5.1	4.8	14.1	5.3	5.6	5.3	6.9	5.5	5.9
44 Minnesota.	8.1	6.4	5.2	5.9	4.7	6.5	6.4	5.8	6.3	3.8
45 Missouri.	17.2	5.3	5.2	4.7	6.0	5.9	3.7	3.9	4.6	4.6
46 St. Louis.	3.1	3.3	3.2	3.2	3.6	4.0	3.3	3.7	3.9	3.7
47 Kansas.	6.1	5.6	4.6	5.5	6.7	4.9	3.2	5.7	4.1	4.5
48 Leavenworth.	8.3	5.0	10.0	...	...	...	...	...	...	...
49 Nebraska.	6.2	6.3	7.1	6.6	6.3	9.8	4.8	17.2	5.1	7.6
50 Oregon.	...	4.0	6.0	6.0	6.0	5.0	6.0	6.0	6.0	6.0
51 California.	...	...	...	5.0	3.0	5.0	5.6	6.6	6.3	6.3
52 San Francisco.	...	0.8	5.0	5.8	5.0	6.4	6.6	6.6	6.5	6.5
53 New Mexico.	...	4.0	7.0	7.1	7.0	6.5	5.5	6.5	6.5	6.5
54 Colorado.	...	8.6	3.8	3.3	4.5	2.8	2.8	17.9	13.1	7.2
55 Utah.	...	...	...	...	...	15.0	4.4	2.7	4.0	4.0
56 Wyoming.	...	16.0	15.0	14.0	13.0	15.0	12.0	33.0	30.0	30.0
57 Idaho.	...	...	...	...	...	3.9	...	3.4	11.8	12.5
58 Montana.	...	...	...	...	...	...	...	...	...	...
59 Dakota.	...	...	...	...	...	...	...	...	...	...
Averages.	5.2	5.0	5.1	5.1	5.2	5.1	4.8	5.1	5.0	4.9

SECURITY OF CIRCULATING NOTES.

These securities consist of \$128,503,212 of six per cent, and \$239,046,300 of five per cent bonds. The amount of six per cent bonds now held is \$17,478,438 less than on November 1, 1874, and the five per cent bonds have also been reduced \$393,900 during the same period.

Since October 1, 1870, there has been an increase of five per cent bonds, amounting to \$143,103,650, and a decrease of six per cent bonds of \$118,388,068. Since October, 1865, the increase in five per cent bonds has been \$167,193,600, and the decrease of six per cent bonds \$47,747,588.

SPECIE, PAPER CURRENCY AND BANK-CHECKS.

The table below exhibits the amount of specie held by the national banks at the dates mentioned—the coin, coin certificates, and checks payable in coin held by the national banks in the city of New York being stated separately—for the last seven years:

Dates.	Held by national banks in N. York City.			Held by other national banks.	Aggregate.
	Coin.	U. S. Coin certificates.	Total.		
Oct. 3, '63.	\$1,698,621 94	\$6,390,140	\$8,088,761 94	\$3,373,596 49	\$11,462,358 43
Jan. 4, '65.	1,562,769 45	15,018,520	16,581,289 45	7,817,320 52	24,398,610 97
Apr. 17, '66.	1,622,375 21	3,720,040	5,342,415 21	3,108,060 30	8,450,475 51
June 12, '69.	2,542,533 96	11,963,680	14,506,213 96	2,983,860 70	17,490,074 66
Oct. 3, '69.	1,792,741 73	16,897,900	18,690,641 73	3,297,816 38	21,988,458 11
Jan. 22, '70.	6,106,036 29	23,501,460	29,607,496 29	11,457,942 69	41,065,438 98
Mar. 24, '70.	2,647,908 39	21,672,420	24,320,328 39	11,507,060 25	35,827,388 64
June 9, '70.	2,942,400 34	18,669,920	21,612,320 34	8,332,211 68	30,044,531 02
Oct. 8, '70.	1,807,073 81	7,583,909	9,391,002 81	6,834,368 30	16,225,371 11
Dec. 3, '70.	2,381,581 96	14,083,540	16,465,121 96	6,237,002 76	22,702,124 72
Mar. 18, '71.	2,982,155 81	13,009,720	15,991,875 81	5,557,409 39	21,549,285 20
Apr. 29, '71.	2,047,930 71	9,845,030	11,892,960 71	6,456,909 07	18,349,869 78
June 10, '71.	2,249,408 06	9,161,160	11,410,568 06	4,833,532 18	16,244,100 24
Oct. 2, '71.	1,121,869 40	7,990,260	9,112,129 40	3,377,340 33	12,589,470 73
Dec. 16, '71.	1,454,930 73	17,354,740	18,809,670 73	6,599,997 44	25,409,668 17
Feb. 27, '72.	1,490,417 70	12,341,060	13,831,477 70	8,559,248 69	22,390,726 39
Apr. 19, '72.	1,338,659 74	10,102,420	11,441,079 74	7,787,473 47	19,228,553 21
June 10, '72.	3,798,909 64	11,412,160	15,211,069 64	4,842,154 98	20,053,224 62
Oct. 3, '72.	929,767 87	5,454,580	6,384,347 87	3,854,400 42	10,238,748 29
Dec. 27, '72.	1,306,091 05	12,471,940	13,778,031 05	5,369,305 40	19,147,336 45
Feb. 23, '73.	1,838,769 85	11,539,780	13,378,549 85	4,479,123 67	17,857,673 52
Apr. 23, '73.	1,444,950 93	11,743,320	13,188,270 93	3,780,557 81	16,968,828 74
June 3, '73.	1,448,097 71	22,139,060	23,587,157 71	4,365,908 01	27,953,065 72
Sept. 13, '73.	1,903,210 53	12,835,620	14,738,830 53	5,281,459 45	20,020,289 98
Dec. 28, '73.	1,736,170 50	18,232,760	19,968,930 50	7,205,107 08	27,174,037 58
Feb. 27, '74.	1,167,820 09	23,518,640	24,686,460 09	8,679,403 49	33,365,863 58
May 1, '74.	1,530,232 10	23,454,660	24,984,892 10	7,585,927 16	32,570,819 26
June 26, '74.	1,423,525 00	13,671,660	15,095,185 00	6,812,022 27	21,907,207 27
Oct. 2, '74.	1,291,786 56	13,114,470	14,406,256 56	6,834,678 67	21,240,935 23
Dec. 31, '74.	1,441,215 42	14,410,940	15,852,155 42	6,582,908 62	22,435,064 04
Mar. 1, '75.	1,984,553 54	10,622,160	12,606,713 54	4,960,320 32	17,567,033 86
May 1, '75.	9,105,765	5,753,220	14,858,985 76	3,937,035 88	18,796,021 64
June 30, '75.	1,023,015 66	12,642,180	13,665,195 66	5,194,386 44	18,859,582 10
Oct. 1, '75.	753,904 91	4,201,720	4,955,624 90	3,094,704 83	8,050,329 73

* In these totals is also included the amount of checks payable in coin held at these dates.

The specie, as returned by the national banks on October 1 of this year, is classified as follows: Coin, \$3,364,569 74; United States coin certificates, \$4,483,760—total, \$8,050,329 73. It will be observed that the amount of coin held is less than at any time during the last six years—the amounts held by the banks of New York City and by all the banks of the country being, respectively, \$9,450,641 66, and \$13,190,615 48 less than the amounts held by them in October of last year.

This marked decrease in the amount of specie is believed to arise from the increased demand for commercial balances abroad, and from the special demand during the late monetary excitement in San Francisco. Authoritative statistics show that sixty-four millions of specie were exported during the first nine months of the present year, as against forty-four millions for the same period last year. The demand from San Francisco is believed to have been about five millions.

[Remarks with regard to "Lost Bank Notes" and "Insolvent Banks" omitted.]

CLASSIFICATION OF STOCKS AND BONDS.

Below is a statement of the aggregate amounts of the various kinds of bonds, stocks and mortgages, and the amount of real estate owned by the national banks of the United States on the 30th day of June, 1875:

United States bonds, par value.....	\$402,028,100 00
Stocks and bonds of States.....	\$3,105,143 56
Stocks and bonds of cities.....	8,074,630 77
Stocks and bonds of corporations.....	15,067,623 29
Bonds of counties and towns.....	2,848,593 84
Bonds and mortgages on real estate.....	2,914,322 72
Real estate owned, including banking-house property.....	32,010,816 18
Total.....	\$471,994,637 55

The following table exhibits, for October 1, of this year, the amount of reserve required to be held by the national banks under the act of June 30, 1874 (which repealed the requirement of reserve upon circulation); the amount which would, at the same date, have been required by the previous law; the amount then actually held, classified so as to show the proportions in bank and with reserve and redeeming agents; and the amount of legal tender reserve released under the operation of the act named.

Location of Banks.	Total reserve required.		Reserve held.		Legal tender reserve required.		Legal tender reserve released.	
	Act of June 30, '74.	Nat'l Bank act.	Act of June 30, '74.	Nat'l Bank act.	Act of June 30, '74.	Nat'l Bank act.	Act of June 30, '74.	Nat'l Bank act.
	Act of June 30, '74.	Nat'l Bank act.	Act of June 30, '74.	Nat'l Bank act.	Act of June 30, '74.	Nat'l Bank act.	Act of June 30, '74.	Nat'l Bank act.
States and Territories.....	\$45 9	\$30 3	\$99 7	\$13 7	\$11 6	\$35 3	\$32 3	\$7 0
New York City.....	50 6	55 1	60 5	49 5	1 1	50 6	55 1	4 5
Other reserve cities.....	55 1	72 2	73 8	25 7	3 6	29 3	36 1	6 8
Totals.....	151 6	207 6	234 0	88 9	15 2	115 2	123 5	18 3

An examination of the table shows that the national banks held on October 1, 1875, \$36,400,000 more of reserve than would have been required prior to the act of June 30, 1874, and \$28,400,000 more than is required under that act. The amount of cash reserve held was \$148,500,000, which sum exceeds by \$35,000,000 the amount required prior to June 30, 1874, and is \$43,300,000 greater than that required under the present act.

AMENDMENTS.

The following amendments of the national bank act are recommended.

1. An amendment authorizing the Comptroller to appoint receivers of national banks, whether transacting business or in liquidation, when insolvency shall become evident from the protest of drafts or of checks drawn upon such associations, or otherwise, if, after due examination, it shall appear that the assets are insufficient for the liquidation of existing indebtedness.
2. Authorizing the appointment of a receiver when the charter of a bank shall be determined and adjudged forfeited, by a United States court before which suit is brought, as provided in section 5239 of the Revised Statutes.
3. Providing that after full payment shall have been made of all the debts of an association, an agent may be appointed by the shareholders of the bank, for

* The average amount of specie held by the national banks of the city of New York during the week ending November 27 was \$14,425,000.

the purpose of liquidating its affairs; and thereupon discharging the Comptroller and receiver, by virtue of such legislation, from all further responsibilities.

4. For the investment of the funds of insolvent banks, on deposit with the Treasurer, in interest-bearing securities of the United States, when dividends are delayed by reason of protracted litigation.

5. Providing that if any shareholder or shareholders of banks whose capital stock is impaired, shall refuse, after three months' notice, to pay his or their assessments, as provided in section 5305 of the Revised Statutes, a sufficient amount of the capital stock of such delinquent shareholder or shareholders shall be sold to make good the deficiency.

6. An amendment of section 5300 of the Revised Statutes extending the limit of liability of any association, person, company, or firm, for money borrowed, from one-tenth of the capital paid in, to fifteen per cent of capital and surplus for banks located in the reserve cities, and to one-tenth of capital and surplus for other banks.

7. Prohibiting the deposit of more than ten per cent of the capital of a national bank with any private banker, or with any person or association other than a national banking association.

8. That no national bank shall be liable to make good any deficiency which may hereafter arise in any special deposit made with such bank, unless there shall be produced by the owner of such deposit a receipt in which the liability of the bank shall be distinctly stated.

9. The repeal of the two-cent stamp tax upon bank checks.

10. Requiring the word "counterfeit," or "altered," or "illegal," to be stamped on all counterfeit or unauthorized issues.

11. The repeal of that portion of section 4 of the act of June 17, 1870, which provides for the organization of savings banks in the District of Columbia.

Many of these proposed amendments were incorporated into a bill reported from the Committee on Banking and Currency during the last session of Congress, but no final action was reached upon them.

SYNOPSIS OF SUPREME COURT DECISIONS.

The following synopsis of the decisions of the Supreme Court of the United States relative to national banks (3d to 21st Wallace, inclusive) has been prepared at the request of the Comptroller by Hon. Charles Case, late receiver of the First National Bank of New Orleans, now of this city.

Abatement.
An action brought by a creditor of a national bank is abated by a decree of a district or circuit court dissolving the corporation and forfeiting its franchises. (National Bank of Selma vs. Colby, 21 Wallace, 609.)

Actions.
I. A national bank may be sued in proper State court. (Bank of Bethel vs. Pahnquoque Bank, 14 Wall., 383, p. 395.)
II. Such banks may sue in Federal courts. The word "by" was omitted in section 57 of act of 1864 by mistake. (Kennedy vs. Gibson, 8 Wall., pp. 506-7.)

Receivers may also sue in United States courts. (Ibid., pp. 506-7.)
III. When the full personal liability of shareholders is to be enforced the action must be at law. (Kennedy vs. Gibson, 8 Wall., p. 505.)

IV. But if contribution only is sought the proceedings should be in equity joining all the shareholders within the jurisdiction of the court. (Ibid., pp. 505-6.)
V. In such equity suit a decree *interlocutory* may be entered for the per centum ordered, and the case may stand over for the further action of the court if necessary until the whole personal liability is exhausted. (Ibid., p. 505.)

VI. In such equity suit it is no defence that shareholders not within the jurisdiction are not joined. (Ibid., p. 506.)

VII. Suits to enforce personal liability of shareholders may properly be brought before other assets are exhausted. (Ibid., pp. 505-6. See also "Comptroller," III. "Debtors," I.)

VIII. When a creditor attaches the property of an insolvent national bank he cannot hold such property against the claim of a receiver appointed after the attachment suit was commenced. Such creditor must share *pro rata* with all others. (National Bank of Selma vs. Colby, 21 Wall., 609.)

Attorneys.
Section 58 of currency act is directory only, and it cannot be objected by defendant that a suit is brought by private attorney instead of the United States district attorney. (Kennedy vs. Gibson, 8 Wall., p. 504.)

By-Laws.
A national bank cannot by its by-laws create a lien on the shares of a stockholder who is a debtor of the association. (Bullard vs. National Bank, &c., 18 Wall., 539.)
See also case of Bank vs. Lanier, 11 Wall., 369, cited under "Loans on Shares," post.

Checks.
I. Holder of check on a national bank cannot sue the bank for refusing payment in the absence of proof that it was accepted by the bank. (National Bank of Republic vs. Millard, 10 Wall., p. 152.)

II. The relation of banker and customer is that of debtor and creditor. Receiving deposits is an important part of the business of banking, but the moment they are received they become the moneys of the bank may be loaned as a part of its general fund, and the check of the depositor gives no lien upon them. (Ibid., per Davis, J., p. 155.)

III. Perhaps, on proof that check had been charged to the drawer, and that the bank had settled with him on that basis, the holder or payee could recover on a count for "money had and received." (Ibid., pp. 155-6.)

IV. The facts that the bank was a United States depository and the check was drawn by a United States officer to a United States creditor, do not vary the rule. (Ibid., pp. 155-6.)

Comptroller.
I. Comptroller must decide *when and for what amount* the personal liability of the shareholders of an insolvent national bank shall be enforced. (Kennedy vs. Gibson, 8 Wall., p. 505.)

II. His decision as to this is conclusive. Shareholders cannot controvert it. (Ibid., p. 505.)

III. In any suit brought to enforce such personal liability, such decision of the Comptroller must be averred by the plaintiff, and, if put in issue, must be proved. (Ibid., p. 505.)

V. Comptroller appoints the receiver, and therefore can remove him. (Ibid., p. 505.)

VI. Comptroller cannot subject the United States Government to the jurisdiction of a court, though he appears and answers to the suit. (Case vs. Terrill, 11 Wall., p. 199.)

Currency Act.
I. "The purpose of the currency act was, in part, to provide a currency for the whole country, and in part, to create a market for the Government loans." (Per Strong, Justice, in Tiffany vs. Missouri, 18 Wall., p. 413.)

Debtors of National Banks.
I. Debtors of an insolvent national bank, when sued by the receiver, cannot object that pleadings do not show a compliance with all the steps prescribed by statutes as preliminary to the appointment of such receiver, (Cadie, Receiver, &c., vs. Baker & Co., 20 Wall., p. 650.)

II. Such ordinary debtors may be sued by receiver without previous order of Comptroller. (Bank vs. Kennedy, 17 Wall., p. 19.)

Interest.
I. Under section 30, act of 1864, a national bank in any State may take as high rate of interest as by the laws of such State a natural person may stipulate for, although State banks of issue are restricted to a lesser rate. (Tiffany vs. National Bank of Missouri, 18 Wall., p. 409.)

II. Held, also, that as the action was virtually brought to recover the penalty for usury, the statute (section 30) must receive a strict construction. (Ibid., p. 409.)

Judgments.
I. A judgment against a national bank in the hands of a receiver upon a claim only establishes the validity of such claim; the plaintiff can have no execution on such judgment, but must await *pro rata* distribution. (Bank of Bethel vs. Pahnquoque Bank, 14 Wall., p. 383. Clifford J., p. 402.)

Loans on Shares.
I. National banks are governed by the act of 1864, which repealed the act of 1863, and cannot, therefore, make loans on the security of their own

shares, unless to secure a pre-existing debt, contracted in good faith. (Bank &c., *vs.* Lanier, 11 Wall., p. 399.)

II. The placing of funds by one bank on permanent deposit with another bank is a loan within the spirit of section 35 of act of 1864. (*Ibid.*, p. 399.)

III. Loans by such banks to their shareholders do not create a lien on the shares of such borrowers. (*Ibid.*, p. 399. See also *Ballard vs. Bank*, 18 Wall., p. 580; and "By-laws," *supra*.)

Receivers.

I. Receiver of a national bank is the instrument of the Comptroller and may be removed by him. (*Kennedy vs. Gibson*, 8 Wall., p. 505.)

II. Such receiver is the statutory assignee of the assets of the bank, and may sue to collect the same in his own name, or in the name of the bank, for his use. (*Ibid.*, p. 506.)

III. In such suit it is not necessary to make the bank or creditors parties. (*Ibid.*, p. 506.)

IV. Receiver of a national bank represents such bank and its creditors, but he in no sense represents the United States Government, and cannot subject the government to the jurisdiction of any court. (*Case vs. Terrill*, 11 Wall., p. 192.)

V. Decision of a receiver rejecting a claim against his bank is not final. Claimant may still sue. (*Bank of Bethel vs. Fabrique Bank*, 14 Wall., p. 333.)

VI. The clause of section 50, act of 1864, which prescribes that the receiver shall be "under the direction of the Comptroller," means only that he shall be subject to his direction, not that he shall not act without order. He may and must collect the assets. That is what he is appointed for. (*Bradley J.*, in *Bank vs. Kennedy*, 17 Wall., pp. 22-3.)

Shares of Stock.

I. A national bank whose certificates of stock specify that the shares are transferable on the books of the bank on surrender of the certificates, and not otherwise, and which suffers a shareholder to transfer without such surrender, is liable to a *bona fide* transferee for value of same stock, who produces such certificate with usual power of attorney to transfer; and this is so though no notice had been given to the bank of the transfer. (*Bank vs. Lanier*, 11 Wall., p. 399.)

II. Shares, *quasi*, negotiable. (*Ibid.*, p. 399.)

Shares, Taxation of.

I. The act of 1864, rightly construed, subjects the shares of the association in the hands of shareholders to taxation by the States under certain limitations set forth in section 41, without regard to the fact that part or the whole of the capital of such association is invested in national securities, which are declared by law exempt from State taxation. (*Van Allen vs. Assessors*, 3 Wall., p. 573.) (*Chase*, Chief Justice, and other judges dissent.)

II. Act thus construed is constitutional. (*Ibid.*, p. 503.)

III. A certain statute of New York which taxed shares of national bank stock declared void, because shares of State banks were not taxed, although their capital was; the act of Congress prescribing that shares of national banks shall be also as shares of State banks are. (*Ibid.*, p. 578.)

The ruling as to taxing shares of stock re-affirmed in *Bradley vs. People*, 4 Wall., and *National Bank vs. Commonwealth*, Wall., p. 353.*

* See also 4 Wall., 244, and 19 Wall., 490.

In last case, *held* that a State law requiring the cashier to pay the tax was valid. *Held*, also, that a certain State tax-law virtually taxed "shares of moneyed corporations," &c.

IV. Shares of stock in national banks are personal property, and, though in one sense incorporeal, the law which created them could separate them from the person of their owner for taxation, and give them a *situs* of their own. (*Tappan Collector vs. Bank*, 19 Wall., p. 490.)

V. Sec. 41 did thus separate them, and give them a *situs* of their own. (*Ibid.*, p. 490.)

VI. This provision of the national currency act became a law of the property (in shares), and every state in which a bank was located acquired jurisdiction, for taxation, of all the shares, whether owned by residents or non-residents, and power to legislate accordingly. (*Ibid.*, p. 490.)

Commercial and Miscellaneous News.

IMPORTS AND EXPORTS FOR THE WEEK.—The imports this week show an increase both in dry goods and general merchandise. The total imports amount to \$8,447,126 this week, against \$2,983,749 last week, and \$1,718,735 the previous week. The exports are \$5,160,801 this week, against \$5,549,352 last week and \$5,519,647 the previous week. The exports of cotton the past week were 13,217 bales, against 14,129 bales last week. The following are the imports at New York for week ending (for dry goods) Dec. 2, and for the week ending (for general merchandise) Dec. 3:

	1875.	1875.	1874.	1875.
Dry goods.....	\$1,230,080	\$1,098,117	\$1,173,503	\$1,446,661
General merchandise....	5,023,612	3,999,993	4,344,233	7,000,465
Total for the week.....	\$6,253,692	\$5,098,110	\$5,517,736	\$8,447,126
Previously reported....	397,615,395	359,366,002	259,628,792	297,907,110
Since Jan. 1.....	\$403,869,087	\$364,459,119	\$365,146,538	\$306,444,336

In our report of the dry goods trade will be found the imports of dry goods for one week later.

The following is a statement of the exports (exclusive of specie) from the port of New York to foreign ports, for the week ending December 7:

	1875.	1875.	1874.	1875.
For the week.....	\$4,344,898	\$5,170,064	\$4,101,914	\$5,160,801
Previously reported....	216,659,065	371,179,045	265,218,046	233,779,481
Since Jan. 1.....	\$21,003,963	\$282,349,109	\$269,321,960	\$238,940,282

The following will show the exports of specie from the port of New York for the week ending Dec. 4, 1875, and since the beginning of the year, with a comparison for the corresponding date in previous years:

Dec. 2—Str. Northern Home, Porto Cabello.....	Amer. gold coin.....	\$50,000
Dec. 2—Str. Herder.....	Hamburg.....	\$2,116
	London.....	\$5,000
	Paris.....	\$9,050
Dec. 4—Str. Celtic.....	Liverpool.....	14,000
	Mexican dollars.....	45,000
Dec. 4—Str. City of Montreal.....	Liverpool.....	31,500
Dec. 4—Str. Hermann.....	Southampton.....	35,000

Total for the week..... \$331,996
Previously reported..... 67,294,145

Total since January 1, 1875.....	\$67,650,845
Same time in—	Same time in—
1874.....	\$51,616,834
1875.....	47,427,763
1876.....	68,361,323
1877.....	60,504,501
1878.....	67,588,705

The imports of specie at this port during the past week have been as follows:

Nov. 29—Str. City of Merida.....	Vera Cruz.....	Silver coin.....	\$487,040
Nov. 29—Str. Herder.....	Hamburg.....	Gold coin.....	6,183
Nov. 29—Str. Andes.....	.....	Silver coin.....	1,983
	.....	Gold coin.....	400
Nov. 29—Str. Canina.....	Hamilton.....	Gold coin.....	600
Nov. 29—Str. City of New York.....	Aspinwall.....	Gold coin.....	3,400
Nov. 29—Str. City of Dallas.....	Nassau.....	Silver coin.....	1,653
	.....	Gold coin.....	1,879
Dec. 1—Bark Curacao.....	Curacao.....	Silver coin.....	500
Dec. 2—Schr. M. Reynolds.....	La Guayra.....	Silver coin.....	600
	.....	Gold coin.....	2,800
Dec. 2—Str. City of Vera Cruz Havana.....	.....	Gold coin.....	332,000

Total for the week..... \$308,320
Previously reported..... 11,678,396

Total since Jan. 1, 1875..... \$19,431,106

Same time in—	Same time in—
1874.....	\$5,998,601
1875.....	17,890,432
1876.....	5,480,387
1877.....	3,461,340
1878.....	11,492,784

NATIONAL TREASURY.—The following forms present a summary of certain weekly transactions at the National Treasury.

1.—Securities held by the U. S. Treasurer in trust for National Banks and balance in the Treasury

Week ending	For Circulation	For U. S. Deposits	Total	Bal. in Treasury	Coin	Currency	Outst'd	Certificates
Aug. 28.....	374,531,763	18,792,300	393,323,963	70,923,690	3,674,478	17,510,400		
Sept. 4.....	373,813,763	18,792,300	392,606,063	69,730,316	2,039,015	16,889,460		
Sept. 11.....	373,263,763	18,792,300	392,056,063	69,730,316	2,039,015	16,889,460		
Sept. 18.....	373,077,763	18,792,300	391,870,063	69,730,316	2,039,015	16,889,460		
Sept. 25.....	373,130,763	18,792,300	391,923,063	66,934,153	1,925,947	12,436,000		
Oct. 2.....	371,489,263	18,792,300	390,281,563	65,784,332	4,968,029	12,477,100		
Oct. 9.....	369,791,763	18,792,300	388,584,063	67,176,506	6,176,786	12,776,600		
Oct. 16.....	368,857,312	18,792,300	387,649,612	69,070,408	6,559,371	11,563,800		
Oct. 23.....	368,110,917	18,792,300	386,903,217	69,070,408	6,559,371	11,563,800		
Oct. 30.....	367,198,412	18,792,300	385,990,712	69,070,408	6,559,371	11,563,800		
Nov. 6.....	366,836,512	18,792,300	385,628,812	71,461,572	9,883,306	17,435,400		
Nov. 13.....	366,150,812	18,792,300	384,943,112	71,461,572	9,883,306	17,435,400		
Nov. 20.....	366,150,812	18,792,300	384,943,112	71,461,572	9,883,306	17,435,400		
Nov. 27.....	365,849,912	18,792,300	384,642,212	72,948,160	10,713,468	19,726,500		
Dec. 4.....	365,631,412	18,792,300	384,423,712					

2.—National bank currency in circulation; fractional currency received from the Currency Bureau by U. S. Treasurer, and distributed weekly; also the amount of legal tenders distributed:

Week ending	Notes in Circulation	Fractional Currency Received	Legal Tenders Distributed
Aug. 28.....	313,725,018		2,715,645
Sept. 4.....	313,011,138		2,670,365
Sept. 11.....	312,980,000		2,480,635
Sept. 18.....	312,578,488		2,321,180
Sept. 25.....	312,730,228		651,000
Oct. 2.....	312,994,193	749,000	3,021,143
Oct. 9.....	312,769,863		3,100,000
Oct. 16.....	312,518,776		3,750,000
Oct. 23.....	312,458,128		
Oct. 30.....	312,405,616		
Nov. 6.....	312,790,108		
Nov. 13.....	312,602,378		
Nov. 20.....	312,660,913		
Nov. 27.....	312,753,821		
Dec. 4.....	312,106,596		

Wilmington & Western.—In the United States Circuit Court, at Wilmington, Del., on suit of William Calhoun, of New York, a bondholder of the Wilmington & Western Railroad Company, praying for a foreclosure of mortgage and sale of road, Judge Bradford has appointed William M. Canby Receiver, who gave bonds and took possession of the road.

—Mr. Teismoski Tomita, the Japanese Consul in this city, gives the following statistics of trade between Japan and the United States: Imports into the United States from Japan, for fiscal year ending June 30, 1875, were \$7,772,303, of which \$188,563 were dutiable and \$7,633,737 free of duties. Exports from United States to Japan for same period were \$1,661,935.

—Attention is directed to the notice given in our advertising columns by the committee of C. & I. C. bondholders under the new agreement of November 5. All bondholders who wish to avail themselves of the present agreement should deposit their bonds with the Union Trust Company, and pay the assessment of five dollars per bond.

—Messrs. D. Appleton & Co. have just issued "Currency and Banking," by Prof. Bonamy Price, of Oxford University, England, which we expect to notice more at length next week.

BANKING AND FINANCIAL.

RAILROAD BONDS.—Whether you wish to BUY or SELL, write to HASSLER & CO., No. 1 Wall street, N. Y.

TEXAS STATE BONDS.
Houston and Texas Central RR. First Mortgage 7 per cent Gold Bonds,
U. S. & H. First Mortgage 7 per cent Gold Bonds,
Texas Lands and Land Scrip, for sale by
WILLIAM BRADY, 23 William st., N. Y.

STOCKS
Dealt in at the New York Stock Exchange bought and sold by us on margin of five per cent.

PRIVILEGES
Negotiated at one to two per cent from market on members of the New York Exchange or responsible parties. Large sums have been realized the past 3 days. Put or call costs on 100 shares

Straddles \$250 each, control 200 shares of stock for 30 days without further risk, while many thousands dollars profit may be gained. Advice and information furnished. Pamphlet, containing valuable statistical information and showing how Wall street operations are conducted sent

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To any address. Orders solicited by mail or wire and promptly executed
TUMBRIDGE & CO., Bankers and Brokers,
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The Bankers' Gazette.

No National Banks organized during the past week.

DIVIDENDS.

The following Dividends have recently been announced:

COMPANY.	PER CENT.	WHEN PAYABLE.	BOOKS CLOSED. (Days inclusive.)
Railroads.			
New York Central & Hudson River (quar.)	2	Jan. 15	Dec. 16 to Jan. 19
New York & Harlem	2	Jan. 3	Dec. 19 to Jan. 3
Syracuse Binghamton & New York	4	Dec. 13	Dec. 7 to Dec. 9
Union Pacific (quar.)	2	Jan. 1	Dec. 21 to Jan. 2
Miscellaneous.			
Western Union Telegraph (quar.)	2	Jan. 15	Dec. 21 to Jan. 16

FRIDAY, DECEMBER 10, 1875—6 P. M.

The Money Market and Financial Situation.—The meeting of Congress, President's Message, and reports of the Secretary of the Treasury and Comptroller of the Currency, have been the absorbing topics of the week. The immediate effect upon our markets has not been large, but it seems to be generally conceded that the documents are, upon the whole, satisfactory—the more satisfactory, perhaps, that they do not propose any radical change of policy. They are chiefly limited in their suggestions to practical details for carrying out the financial plans heretofore adopted, but only partially provided for in the laws now in existence. Even those who favor very decidedly the policy of a gradual return to specie payments are generally opposed to anything like spasmodic or radical movements to accomplish that desirable end; and the conservative tone of Secretary Bristow on the important questions of retiring legal tenders, accumulating specie, selling new bonds, or increasing taxation, will do much to assure business men that they need not be apprehensive that sudden or violent measures will be adopted under his administration.

The local money market has worked easily, at 4@5 per cent. on call loans to stock brokers, and 3@4 per cent. to Government bond dealers; on prime mercantile paper the rates are 6@7 per cent., with very little offering. Our attention has been called to an inaccuracy in our language last week in saying that the city Chamberlain called in loans, as the city funds are not loaned on call by the Chamberlain or Comptroller. The statement should have read that, the Comptroller having shifted money on deposit from one bank to another, the operation led to the calling in of some money by the banks.

The Bank of England report, on Thursday, showed a decline of £283,000 in bullion for the week, but no change in the discount rate, which remains at 3 per cent. The Bank of France gained 23,225,000 francs.

The last weekly statement of the New York City Clearing House Banks, issued Dec. 4, showed a decrease of \$1,177,425, in the excess above their 25 per cent. legal reserve, the whole of such excess being \$8,171,875, against \$9,349,300 the previous week.

The following table shows the changes from the previous week and a comparison with 1874 and 1873:

	Nov. 27.	Dec. 4.	Differences.	1874.	1873.
Loans and dis.	\$271,910,206	\$271,003,500	Dec.	\$203,700	\$253,373,500
Specie	16,262,500	15,157,500	Dec.	1,105,000	21,168,000
Circulation	18,512,100	18,730,600	Inc.	218,500	25,012,600
Net deposits	215,808,400	210,653,300	Dec.	5,145,100	184,015,300
Legal tenders	47,938,900	45,630,400	Dec.	2,308,500	50,221,700

United States Bonds.—There has been only a limited business in Government bonds, though prices are well maintained. The Washington reports have all been favorable for U. S. securities, and have unquestionably assisted to strengthen prices. The Savings banks will probably be out of the market as purchasers now, until after the middle of January. The recommendations of the Secretary of the Treasury for longer bonds to carry on the next funding operations are well received.

Closing prices daily have been as follows:

	Int. period.	Dec.	Dec.	Dec.	Dec.	Dec.
	Jan. & July.	6.	7.	8.	9.	10.
6s, 1881.....reg.	119 1/2	119 1/2	119 1/2	119 1/2	119 1/2	119 1/2
6s, 1881.....coup.	119 1/2	119 1/2	119 1/2	119 1/2	119 1/2	119 1/2
6s, 5-20's, called b. reg.	115	114 1/2	114 1/2	114 1/2	114 1/2	114 1/2
6s, 5-20's, called b. coup.	115 1/2	114 1/2	114 1/2	114 1/2	114 1/2	114 1/2
6s, 5-20's, 1865.....reg.	115 1/2	115 1/2	115 1/2	115 1/2	115 1/2	115 1/2
6s, 5-20's, 1865.....coup.	115 1/2	115 1/2	115 1/2	115 1/2	115 1/2	115 1/2
6s, 5-20's, 1865, n. l. reg.	115 1/2	115 1/2	115 1/2	115 1/2	115 1/2	115 1/2
6s, 5-20's, 1865, n. l. coup.	115 1/2	115 1/2	115 1/2	115 1/2	115 1/2	115 1/2
6s, 5-20's, 1867.....reg.	115 1/2	115 1/2	115 1/2	115 1/2	115 1/2	115 1/2
6s, 5-20's, 1867.....coup.	115 1/2	115 1/2	115 1/2	115 1/2	115 1/2	115 1/2
6s, 5-20's, 1868.....reg.	115 1/2	115 1/2	115 1/2	115 1/2	115 1/2	115 1/2
6s, 5-20's, 1868.....coup.	115 1/2	115 1/2	115 1/2	115 1/2	115 1/2	115 1/2
6s, 10-40's.....reg.	115 1/2	115 1/2	115 1/2	115 1/2	115 1/2	115 1/2
6s, 10-40's.....coup.	115 1/2	115 1/2	115 1/2	115 1/2	115 1/2	115 1/2
6s, funded, 1881.....reg.	117 1/2	117 1/2	117 1/2	117 1/2	117 1/2	117 1/2
6s, funded, 1881.....coup.	117 1/2	117 1/2	117 1/2	117 1/2	117 1/2	117 1/2
6s, Currency.....reg.	121	121 1/2	121 1/2	121 1/2	121 1/2	121 1/2

* This is the price bid; no sale was made at the Board.

The range in prices since January 1, and the amount of each class of bonds outstanding December 1, 1875, were as follows:

	Lowest.	Highest.	Registered.	Coupon.
6s, 1881.....reg.	118 Jan. 5	122 1/2 May 26	\$193,577,650	50
6s, 1881.....coup.	118 Jan. 5	126 1/2 June 17	89,358,700	50
6s, 5-20's, 1864.....coup.	114 1/2 Nov. 12	121 Apr. 27	80,604,050	26,267,050
6s, 5-20's, 1865.....coup.	114 1/2 Nov. 11	122 1/2 June 18	33,591,850	118,647,400
6s, 5-20's, 1865, new, coup.	117 1/2 Jan. 8	124 1/2 June 17	59,523,500	143,339,500
6s, 5-20's, 1867.....coup.	115 1/2 Jan. 9	123 1/2 June 25	80,000,900	281,585,250
6s, 5-20's, 1868.....coup.	118 Jan. 9	123 1/2 June 18	14,630,500	23,848,500
6s, 10-40's.....reg.	113 1/2 Feb. 3	118 1/2 June 18	141,647,300	50
6s, 10-40's.....coup.	113 1/2 Feb. 3	119 1/2 Aug. 23	68,924,000	50
6s, funded, 1881.....coup.	118 Jan. 2	119 June 26	216,102,050	249,456,400
6s, Currency.....reg.	117 1/2 Jan. 4	126 1/2 Nov. 23	64,623,512	50

Closing prices of securities in London have been as follows:

	Nov. 29.	Dec. 3.	Dec. 10.	Since Jan. 1, 1875. Lowest.	Highest.
U. S. 6s, 5-20's, 1865, old	108 1/2	108 1/2	108 1/2	108 1/2 Nov. 8	108 1/2 Apr. 9
U. S. 6s, 5-20's, 1867	109 1/2	109 1/2	109 1/2	109 1/2 June 18	109 1/2 May 5
U. S. 5s, 10-40's	105 1/2	105 1/2	105 1/2	105 1/2 Feb. 13	107 Aug. 13
New 5s	104	104 1/2	104 1/2	104 Apr. 12	105 1/2 Aug. 16

State and Railroad Bonds.—There have been few transactions in State bonds. Tennessees are lower, in the absence of any favorable prospects for interest payment. It is said, also, that some of the railroads have bought up coupons with which to pay their taxes, and that little cash will be received from them. The Louisiana January interest on consols is noticed for payment in New Orleans and New York.

Railroad bonds have met with a fair business, and prices in nearly all cases are stronger. The January interest of 3 to 4 per cent will now be due in a few weeks on many bonds, and the better earnings of nearly all the roads, together with the firm prices of stocks, and the prospect of the usual investment demand after the 1st of January, have all contributed to make holders firmer in their views. The Pacific and Northwest and St. Paul securities have been among the most favored issues.

The following securities, seldom quoted at the Board, were sold at auction this week:

	Prices.
\$670 50 Chesapeake & Ohio RR. Co. registered income 7 per cent. bond, and receipt of the New York Guar. and Indem. Co. for Coupons 8, 9, 10 and 11 from 6 per cent. first mort. bonds.	11
\$10,000 Burlington Cedar Rapids & Minn. first mort. conv. 7 per cent. gold bonds.	32 1/2
\$1,000 Burlington Cedar Rapids & Minn. cert. of gold coupon scrip, due March 1, 1877.	20
\$10,000 Toledo Wabash & Western consol. mort. sinking fund conv. bonds.	25
\$10,000 South Side RR. of Long Island 1st mort. sink. fund bonds.	50
\$5,000 Syracuse Binghamton & N. Y. first mort. bonds.	98
\$14,500 Grand Tower Mining, Manufacturing & Transportation Co. 1st mort. bonds, per bond.	113
\$5,000 Grand Tower Mining Manufacturing & Transportation Co. 2d mort. bonds, per bond.	111
125 shares Mount Carbon Coal & Railroad Co.	115
20 shares Oxford Iron Co.	101
200 shares Guyard Lead Co.	81
1 share Clinton Hall Association, \$100.	55
125 shares N. Y. Gaslight Co. \$100 each.	147 1/2
100 shares Manufacturers' & Merchants' Bank.	152 1/2
17 shares Sixth Avenue RR. Co.	60
\$1,700 Sixth Avenue RR. Co. scrip.	1
\$250,000 New York Housatonic & Northern RR. bonds, for lot.	\$1,600
\$11,500 Atlantic & Pacific RR. Co. 6 per cent gold bonds.	10 1/2

Daily closing prices of a few leading bonds, and the range since January 1, have been as follows:

	Dec. 4.	Dec. 6.	Dec. 8.	Dec. 9.	Dec. 10.	Since Jan. 1. Lowest.	Highest.
6s Tenn., new 5s	108 1/2	108 1/2	108 1/2	108 1/2	108 1/2	108 1/2 Jan. 27	108 1/2 Jan. 5
6s N. Car., old	116	116	116	116	116	116 Dec. 10	116 Jan. 18
6s N. Car., new	116	116	116	116	116	116 June 12	116 Jan. 7
6s Virg., consolidated	113	113	113	113	113	113 Jan. 26	113 Oct. 28
2d series	113 1/2	113 1/2	113 1/2	113 1/2	113 1/2	113 1/2 Feb. 21	113 1/2 Oct. 2
6s C. & J. & J.	113 1/2	113 1/2	113 1/2	113 1/2	113 1/2	113 1/2 Sept. 28	113 1/2 Jan. 27
6s Mo. long bonds	102 1/2	102 1/2	102 1/2	102 1/2	102 1/2	102 1/2 Jan. 14	102 1/2 June 13
N. Y. C. & H. 1st 7s	120	120	120	120	120	120 Jan. 18	120 Sept. 10
U. Pac. gold 6s	108 1/2	108 1/2	108 1/2	108 1/2	108 1/2	108 1/2 Jan. 6	108 1/2 Sept. 30
U. Pac. 1st 6s	104 1/2	104 1/2	104 1/2	104 1/2	104 1/2	104 1/2 Jan. 6	104 1/2 June 30
do 1st Gr 1st 7s	101 1/2	101 1/2	101 1/2	101 1/2	101 1/2	101 1/2 Jan. 6	101 1/2 Sept. 30
do S. F. 8s	94 1/2	94 1/2	94 1/2	94 1/2	94 1/2	94 1/2 Jan. 5	94 1/2 Aug. 25
Kristen M. 7s	108 1/2	108 1/2	108 1/2	108 1/2	108 1/2	108 1/2 May 29	108 1/2 May 6
N. C. 1st 7s	114 1/2	114 1/2	114 1/2	114 1/2	114 1/2	114 1/2 Jan. 11	114 1/2 Dec. 2
Pt Wayne 1st 7s	115	115	115	115	115	115 Jan. 7	115 Nov. 8
Rock Island 1st 7s	110 1/2	110 1/2	110 1/2	110 1/2	110 1/2	110 1/2 Jan. 8	110 1/2 June 11
C. & N. W. gold 1s	84 1/2	84 1/2	84 1/2	84 1/2	84 1/2	84 1/2 Jan. 15	84 1/2 Nov. 27

Railroad and Miscellaneous Stocks.—The stock market, without a very large business, has shown considerable fluctuation in prices from day to day, and closes with a pretty firm tone. The rumors of last week directed against Michigan Central have not been confirmed, and were probably circulated for effect. Some strength has been added to the market by the declaration of January dividends on several of the prominent specialties, including 2 per cent. quarterly on N. Y. Central & Hudson, Western Union Telegraph, and Union Pacific. Railroad earnings for November show a more general increase than in any previous month for a long time past. The earnings of St. Paul road for the first week in December are just reported at \$195,100, against \$171,300 in 1874.

The Chicago & Northwestern Railroad Company have issued a circular stating that "the officers are advised of the existence of a conspiracy for the dissemination of false and libelous reports" about the Company, by means of special despatches and by articles purporting to be the result of investigations by an accountant, and saying that the parties will be called to account. In view of the recent reports against Michigan Central the subject would seem to demand some investigation.

In the N. Y. Supreme Court, to-day, Judge Donohue gave a decision continuing the injunction against the Panama Railroad Company, prohibiting them from establishing a steamship line. As to the class of stock operations known as "puts," "calls" and "straddles" the following report in to-day's Post has some interest:

The suit of Yerkes, Jr., et al. against Solomon was tried before Judge Lawrence, in the Supreme Court, to-day. Plaintiffs bought three "straddles" from defendant, in Lake Shore and Pacific Mail stock, at sixty days; before sixty days defendant failed, and plaintiffs sued for the loss, and the defence was that the case came under the gambling act, because it was not a bona fide sale, but a sale of property the party to it did not possess. The Court ruled otherwise, holding that the case was covered by the act of 1853, relating to the sale of stocks, and directed a verdict for plaintiff in \$3,676, but gave sixty days' stay to allow the case to go to the General Term.

Total transactions of the week in leading stocks were as follows:

	Pacific Mail.	Lake Shore.	West'n Union.	Chic. & N. W.	Chic. & Erie.	Ohio & Pac.	Union Pac.
Dec. 4.....	23,600	59,500	10,900	4,500	4,400	1,300	6,500
" 6.....	22,300	48,900	11,500	3,400	1,100	600	2,500
" 7.....	27,300	55,600	13,900	2,400	3,100	900	2,500
" 8.....	21,200	103,500	17,500	5,700	10,400	1,400	200
" 9.....	12,700	65,600	16,100	7,900	16,300	1,500	600
" 10.....	15,900	35,800	3,700	2,700	5,500	500	1,300
Total.....	131,900	268,900	73,800	26,600	40,700	500	2,800
Whole stock.....	300,000	494,665	337,836	149,980	780,000	300,000	67,894

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GENERAL QUOTATIONS OF STOCKS AND BONDS IN NEW YORK.

U. S. Bonds and active Railroad Stocks are quoted on a previous page. Prices represent the per cent value, whatever the par may be.

SECURITIES.	Bid.	Ask.	SECURITIES.	Bid.	Ask.	SECURITIES.	Bid.	Ask.	SECURITIES.	Bid.	Ask.
State Bonds.			Railroad Bonds.			Tol. & Wabash, 1st m. extend.			Mo. R., Ft. S. & Gulf 1st m. 10c		
Alabama 1893.....	25	30	(Stock Exchange Prices.)			do do 1st m. St. L. div	50	51	do do 2d m. 10c	40	40
do 1893.....	25		Albany & Susq. 1st bonds.....	114 1/2		do do 2d mort.	50	51	N. Haven, Middlebrook & W. 7c	80	80
do 1896.....	30		do do 2d do	107		do do 3d mort.	50	51	N. J. Middletown & W. 7c	80	80
do 1898.....	30		Boston, Hartf. & Erie, 1st mort	20	20 1/2	do do cons. conv.	27 1/2	32	do do 2 1/2 7c	10	14
do 1899.....	30		Bur., C. Rapids & Minn. 1st 7c	19 1/2	20	Hannibal & Naples, 1st mort.....	29	30	New Jersey & N. Y. 7c	10	14
do 1899 & Ext. 7c R.	30		Chesapeake & Ohio 6c, 1st 7c	31	33	Great Western, 1st mort, 1888.	75	75 1/2	N. Y. & Oaw. Mid. 1st 7c, gold.	15	15 1/2
do 1899 & Chat. R.	30		do do do 2d coup	26		Quincy & Toledo, 1st mort. 1890	50	50	Normal, Pac. 1st mort 7 1/2-10c	15	15
do 1899 of 1892.	31		Chicago & Alton sinking fund.	15		Illinois & So. Iowa, 1st mort.....	61	61	Omaha & Southwestern RR. 7c	30	30
Arkansas 6c, funded.....	10		do do do 1st mort.....	15		Lafayette, B'n & Miss, 1st m.	101 1/2	111 1/2	Oswego & Rome's, guar.....	90	100
do 7c, Memphis & L. R.	10		do do do 2d mort.....	130		do do 2d mort.	101 1/2	111 1/2	Peoria & Peoria, 1st mort.....	50	50
do 7c, L. R. P. & B. N. O.	10		Joliet & Chicago, 1st mort.....	96		Pekin, Lincoln & Decatur, 1st m	101 1/2	111 1/2	Peoria & Rock I. 7c, gold.....	50	50
do 7c, Miss. O. & N. O.	10		Louisiana & Mo., 1st m. guar.	100 1/2		Boston & N. Y. Air Line 1st m	101 1/2	111 1/2	Port Huron & M. R. 7c, gold, end	20	20
do 7c, A. T. C. Cent. B.	10		Louis, Jack. & Erie, 1st m.	111 1/2		Chic. & Hudson Canal, 1st m.	111 1/2	111 1/2	Putnam Palace, 1st mort, stock	75	75
Connecticut.....	107		Chic. & N. W. cons. 1st m. 7c	109 1/2		do do do 2d mort	184		Rockford, R. L. & St. L. 1st 7c, gold	7 1/2	10
do 7c, new bond.....	100		Chicago, Rk. Island & Pacific	105 1/2		do do do 3d mort	184		St. Louis & V. 7c, gold.....	40	40
do 7c, endorsed.....	100		Central of N. J., 1st m. new.....	115 1/2		do do do 4th mort	107	105	St. Paul & Northern P. 1st mort	55	55
do 7c, gold bonds.....	161 1/2		do do do 1st cons. 1st m.	107 1/2		Long Island R.R., 1st mort.....	98	100	St. Jo. & C. Bl. 1st mort. 10c	90	90
do do do 1893.....	104		do do do 2d cons. conv.	108 1/2		South Side, L. 1, 1st m. bonds.	98	100	do do do 2d mort. 10c	90	90
do do do 1897.....	104		do do do 3d cons. conv.	108 1/2		do do do sinking fund.....	98	100	Sandusky, Mans. & Newark 7c	50	50
do do do 1899.....	104		do do do 4th cons. conv.	108 1/2		Western Union Tel. 1890 cons.	97 1/2	97 1/2	St. Louis, Vandalia & T. H. 1st	90	90
do do do 1899.....	104		do do do 5th cons. conv.	108 1/2		Miscellaneous List. (Brokers' Quotations.)			St. L. & So. Eastern 1st m. 7c	75	75
do do do 1899.....	104		do do do 6th cons. conv.	108 1/2		Albany, N. Y. 7c, gold.....	102	102	St. L. & I. M. T. (Ark. B.) 7c	50	50
do do do 1899.....	104		do do do 7th cons. conv.	108 1/2		Buffalo Water.....	102	102	Southern Central of N. Y. 7c	75	75
do do do 1899.....	104		do do do 8th cons. conv.	108 1/2		do Park.....	102	102	Union & Loganport 7c, gold	54	54
do do do 1899.....	104		do do do 9th cons. conv.	108 1/2		Chicago 6c, long dates.....	104 1/2	104 1/2	Walkill Valley 1st 7c, gold.....	40	40
do do do 1899.....	104		do do do 10th cons. conv.	108 1/2		do 7c, water.....	104 1/2	104 1/2	West Wisconsin 7c, gold.....	40	40
do do do 1899.....	104		do do do 11th cons. conv.	108 1/2		do 7c, river improvement.....	104 1/2	104 1/2	Wisconsin Valley 6c, 1st m.	40	40
do do do 1899.....	104		do do do 12th cons. conv.	108 1/2		do 7c, various.....	104 1/2	104 1/2	States.		
do do do 1899.....	104		do do do 13th cons. conv.	108 1/2		Cleveland & Erie, 1st mort.....	104 1/2	104 1/2	Louisiana new cons. 7c.....	50	50
do do do 1899.....	104		do do do 14th cons. conv.	108 1/2		Detroit Water Works 7c.....	104 1/2	104 1/2	South Carolina 1st m. 7c, gold	50	50
do do do 1899.....	104		do do do 15th cons. conv.	108 1/2		do do do 2d m. 7c, gold	104 1/2	104 1/2	St. Louis & V. 7c, gold.....	40	40
do do do 1899.....	104		do do do 16th cons. conv.	108 1/2		do do do 3d m. 7c, gold	104 1/2	104 1/2	St. Paul & Northern P. 1st mort	55	55
do do do 1899.....	104		do do do 17th cons. conv.	108 1/2		do do do 4th m. 7c, gold	104 1/2	104 1/2	St. Jo. & C. Bl. 1st mort. 10c	90	90
do do do 1899.....	104		do do do 18th cons. conv.	108 1/2		do do do 5th m. 7c, gold	104 1/2	104 1/2	Sandusky, Mans. & Newark 7c	50	50
do do do 1899.....	104		do do do 19th cons. conv.	108 1/2		do do do 6th m. 7c, gold	104 1/2	104 1/2	St. Louis, Vandalia & T. H. 1st	90	90
do do do 1899.....	104		do do do 20th cons. conv.	108 1/2		do do do 7th m. 7c, gold	104 1/2	104 1/2	St. L. & So. Eastern 1st m. 7c	75	75
do do do 1899.....	104		do do do 21st cons. conv.	108 1/2		do do do 8th m. 7c, gold	104 1/2	104 1/2	St. L. & I. M. T. (Ark. B.) 7c	50	50
do do do 1899.....	104		do do do 22nd cons. conv.	108 1/2		do do do 9th m. 7c, gold	104 1/2	104 1/2	Southern Central of N. Y. 7c	75	75
do do do 1899.....	104		do do do 23rd cons. conv.	108 1/2		do do do 10th m. 7c, gold	104 1/2	104 1/2	Union & Loganport 7c, gold	54	54
do do do 1899.....	104		do do do 24th cons. conv.	108 1/2		do do do 11th m. 7c, gold	104 1/2	104 1/2	Walkill Valley 1st 7c, gold.....	40	40
do do do 1899.....	104		do do do 25th cons. conv.	108 1/2		do do do 12th m. 7c, gold	104 1/2	104 1/2	West Wisconsin 7c, gold.....	40	40
do do do 1899.....	104		do do do 26th cons. conv.	108 1/2		do do do 13th m. 7c, gold	104 1/2	104 1/2	Wisconsin Valley 6c, 1st m.	40	40
do do do 1899.....	104		do do do 27th cons. conv.	108 1/2		do do do 14th m. 7c, gold	104 1/2	104 1/2	States.		
do do do 1899.....	104		do do do 28th cons. conv.	108 1/2		do do do 15th m. 7c, gold	104 1/2	104 1/2	Louisiana new cons. 7c.....	50	50
do do do 1899.....	104		do do do 29th cons. conv.	108 1/2		do do do 16th m. 7c, gold	104 1/2	104 1/2	South Carolina 1st m. 7c, gold	50	50
do do do 1899.....	104		do do do 30th cons. conv.	108 1/2		do do do 17th m. 7c, gold	104 1/2	104 1/2	St. Louis & V. 7c, gold.....	40	40
do do do 1899.....	104		do do do 31st cons. conv.	108 1/2		do do do 18th m. 7c, gold	104 1/2	104 1/2	St. Paul & Northern P. 1st mort	55	55
do do do 1899.....	104		do do do 32nd cons. conv.	108 1/2		do do do 19th m. 7c, gold	104 1/2	104 1/2	St. Jo. & C. Bl. 1st mort. 10c	90	90
do do do 1899.....	104		do do do 33rd cons. conv.	108 1/2		do do do 20th m. 7c, gold	104 1/2	104 1/2	Sandusky, Mans. & Newark 7c	50	50
do do do 1899.....	104		do do do 34th cons. conv.	108 1/2		do do do 21st m. 7c, gold	104 1/2	104 1/2	St. Louis, Vandalia & T. H. 1st	90	90
do do do 1899.....	104		do do do 35th cons. conv.	108 1/2		do do do 22nd m. 7c, gold	104 1/2	104 1/2	St. L. & So. Eastern 1st m. 7c	75	75
do do do 1899.....	104		do do do 36th cons. conv.	108 1/2		do do do 23rd m. 7c, gold	104 1/2	104 1/2	St. L. & I. M. T. (Ark. B.) 7c	50	50
do do do 1899.....	104		do do do 37th cons. conv.	108 1/2		do do do 24th m. 7c, gold	104 1/2	104 1/2	Southern Central of N. Y. 7c	75	75
do do do 1899.....	104		do do do 38th cons. conv.	108 1/2		do do do 25th m. 7c, gold	104 1/2	104 1/2	Union & Loganport 7c, gold	54	54
do do do 1899.....	104		do do do 39th cons. conv.	108 1/2		do do do 26th m. 7c, gold	104 1/2	104 1/2	Walkill Valley 1st 7c, gold.....	40	40
do do do 1899.....	104		do do do 40th cons. conv.	108 1/2		do do do 27th m. 7c, gold	104 1/2	104 1/2	West Wisconsin 7c, gold.....	40	40
do do do 1899.....	104		do do do 41st cons. conv.	108 1/2		do do do 28th m. 7c, gold	104 1/2	104 1/2	Wisconsin Valley 6c, 1st m.	40	40
do do do 1899.....	104		do do do 42nd cons. conv.	108 1/2		do do do 29th m. 7c, gold	104 1/2	104 1/2	States.		
do do do 1899.....	104		do do do 43rd cons. conv.	108 1/2		do do do 30th m. 7c, gold	104 1/2	104 1/2	Louisiana new cons. 7c.....	50	50
do do do 1899.....	104		do do do 44th cons. conv.	108 1/2		do do do 31st m. 7c, gold	104 1/2	104 1/2	South Carolina 1st m. 7c, gold	50	50
do do do 1899.....	104		do do do 45th cons. conv.	108 1/2		do do do 32nd m. 7c, gold	104 1/2	104 1/2	St. Louis & V. 7c, gold.....	40	40
do do do 1899.....	104		do do do 46th cons. conv.	108 1/2		do do do 33rd m. 7c, gold	104 1/2	104 1/2	St. Paul & Northern P. 1st mort	55	55
do do do 1899.....	104		do do do 47th cons. conv.	108 1/2		do do do 34th m. 7c, gold	104 1/2	104 1/2	St. Jo. & C. Bl. 1st mort. 10c	90	90
do do do 1899.....	104		do do do 48th cons. conv.	108 1/2		do do do 35th m. 7c, gold	104 1/2	104 1/2	Sandusky, Mans. & Newark 7c	50	50
do do do 1899.....	104		do do do 49th cons. conv.	108 1/2		do do do 36th m. 7c, gold	104 1/2	104 1/2	St. Louis, Vandalia & T. H. 1st	90	90
do do do 1899.....	104		do do do 50th cons. conv.	108 1/2		do do do 37th m. 7c, gold	104 1/2	104 1/2	St. L. & So. Eastern 1st m. 7c	75	75
do do do 1899.....	104		do do do 51st cons. conv.	108 1/2		do do do 38th m. 7c, gold	104 1/2	104 1/2	St. L. & I. M. T. (Ark. B.) 7c	50	50
do do do 1899.....	104		do do do 52nd cons. conv.	108 1/2		do do do 39th m. 7c, gold	104 1/2	104 1/2	Southern Central of N. Y. 7c	75	75
do do do 1899.....	104		do do do 53rd cons. conv.	108 1/2		do do do 40th m. 7c, gold	104 1/2	104 1/2	Union & Loganport 7c, gold	54	54
do do do 1899.....	104		do do do 54th cons. conv.	108 1/2		do do do 41st m. 7c, gold	104 1/2	104 1/2	Walkill Valley 1st 7c, gold.....	40	40
do do do 1899.....	104		do do do 55th cons. conv.	108 1/2		do do do 42nd m. 7c, gold	104 1/2	104 1/2	West Wisconsin 7c, gold.....	40	40
do do do 1899.....	104		do do do 56th cons. conv.	108 1/2		do do do 43rd m. 7c, gold	104 1/2	104 1/2	Wisconsin Valley 6c, 1st m.	40	40
do do do 1899.....	104		do do do 57th cons. conv.	108 1/2		do do do 44th m. 7c, gold	104 1/2	104 1/2	States.		
do do do 1899.....	104		do do do 58th cons. conv.	108 1/2		do do do 45th m. 7c, gold	104 1/2	104 1/2	Louisiana new cons. 7c.....	50	50
do do do 1899.....	104		do do do 59th cons. conv.	108 1/2		do do do 46th m. 7c, gold	104 1/2	104 1/2	South Carolina 1st m. 7c, gold	50	50
do do do 1899.....	104		do do do 60th cons. conv.	108 1/2		do do do 47th m. 7c, gold	104 1/2	104 1/2	St. Louis & V. 7c, gold.....	40	40
do do do 1899.....	104		do do do 61st cons. conv.	108 1/2		do do do 48th m. 7c, gold	104 1/2	104 1/2	St. Paul & Northern P. 1st mort	55	55
do do do 1899.....	104		do do do 62nd cons. conv.	108 1/2		do do do 49th m. 7c, gold	104 1/2	104 1/2	St. Jo. & C. Bl. 1st mort. 10c	90	90
do do do 1899.....	104		do do do 63rd cons. conv.	108 1/2		do do do 50th m. 7c, gold	104 1/2	104 1/2	Sandusky, Mans. & Newark 7c	50	50
do do do 1899.....	104		do do do 64th cons. conv.	108 1/2		do do do 51st m. 7c, gold	104 1/2	104 1/2	St. Louis, Vandalia & T. H. 1st	90	90
do do do 1899.....	104		do do do 65th cons. conv.	108 1/2		do do do 52nd m. 7c, gold	104 1/2	104 1/2	St. L. & So. Eastern 1st m. 7c	75	75
do do do 1899.....	104		do do do 66th cons. conv.	108 1/2		do do do 53rd m. 7c, gold	104 1/2	104 1/2	St. L. & I. M. T. (Ark. B.) 7c	50	50
do do do 1899.....	104		do do do 67th cons. conv.	108 1/2		do do do 54th m. 7c, gold	104 1/2	104 1/2	Southern Central of N. Y. 7c	75	75
do do do 1899.....	104		do do do 68th cons. conv.	108 1/2		do do do 55th m. 7c, gold	104 1/2	104 1/2	Union & Loganport 7c, gold	54	54
do do do 1899.....	104		do do do 69th cons. conv.	108 1/2		do do do 56th m. 7c, gold	104 1/2	104 1/2	Walkill Valley 1st 7c, gold.....	40	40
do do do 1899.....	104		do do do 70th cons. conv.	108 1/2		do do do 57th m. 7c, gold	104 1/2	104 1/2	West Wisconsin 7c, gold.....	40	40
do do do 1899.....	104		do do do 71st cons. conv.	108 1/2		do do do 58th m. 7c, gold	104 1/2	104 1/2	Wisconsin Valley 6c, 1st m.	40	40
do do do 1899.....	104		do do do 72nd cons. conv.	108 1/2		do do do 59th m. 7c, gold	104 1/2	104 1/2	States.		
do do do 1899.....	104		do do do 73rd cons. conv.	108 1/2		do do do 60th m. 7c, gold	104 1/2	104 1/2	Louisiana new cons. 7c.....	50	50
do do do 1899.....	104		do do do 74th cons. conv.	108 1/2		do do do 61st m. 7c, gold	104 1/2	104 1/2	South Carolina 1st m. 7c, gold	50	50
do do do 1899.....	104		do do do 75th cons. conv.	108 1/2		do do do 62nd m. 7c, gold	104 1/2	104 1/2	St. Louis & V. 7c, gold.....	40	40
do do do 1899.....	104		do do do 76th cons. conv.	108 1/2		do do do 63rd m. 7c, gold	104 1/2	104 1/2	St. Paul & Northern P. 1st mort	55	55
do do do 1899.....	104										

Investments

AND

STATE, CITY AND CORPORATION FINANCES.

The "Investors' Supplement" is published on the last Saturday of each month, and furnished to all regular subscribers of the CHRONICLE. No single copies of the Supplement are sold at the office, as only a sufficient number is printed to supply regular subscribers.

ANNUAL REPORTS.

Boston & Providence.

(For the year ending September 30, 1875.)

At the recent annual meeting the report of the directors was presented. It states that the receipts of the road for the past year have fallen off in a marked degree from those of the previous three years, and despite the continued large reduction made in expenses, amounting to \$67,626 66, the balancing of accounts on the 30th day of September, when the financial year closed, showed that the net earnings were \$364,782 20, only \$4,782 20 more than nine per cent. on the capital stock. As a dividend of five dollars on a share had been made in the spring, one of four dollars was declared for the last six months. Could the course of business have been foreseen, it would have been better to have made the two dividends four and one-half dollars each, but there was a strong belief that the increase of receipts from April 1 to October 1, would be such as to assure the usual division for the year. As it is, nine per cent., all that has been earned, has been divided. There has disappeared from the assets an item of \$15,000, represented by 150 shares of the Mansfield and Framingham Railroad Company, subscribed for in 1869, and thought to be worth what they stood at on the books. This was converted, and sold at a net loss of \$9,882. There are now seventy miles of track laid with steel rails, as against fifty-nine reported a year ago, leaving eighteen miles to be so renewed. The road bed was never in better condition, and the equipment, with the exception of "postal cars," is equal to any increase of business that we are likely to have for several years to come. During the coming year it is proposed to rebuild the passenger station at Roslindale, and, with the assent of the Providence & Worcester Railroad Company, to build conjointly with them, on the line of our common track, a new freight-house at Pawtucket.

	1875.	1874.
Capital stock paid in and actually realized....	\$4,000,000 00	\$4,000,000 00
Funded debt.....	200,000 00	500,000 00
Debt liabilities.....	1,882,476 98	1,767,675 59
Expense for construction.....	3,792,000 00	3,792,500 00
Average cost of construction per mile, single track.....	37,000 97	37,000 97
Total property and assets of the company.....	6,141,653 00	6,331,963 41
Net addition to property account for the year.....	96,900 00	914,758 61
Receipts, passenger department.....	935,847 36	712,472 07
Receipts, freight department.....	619,180 69	1,657,490 68
Total earnings.....	1,555,028 05	2,369,962 75
Earnings per mile of road.....	23,953 83	34,923 77
Total income.....	1,551,258 31	1,695,171 63
Operating expenses.....	1,344,021 89	1,331,022 89
Operating expenses per mile.....	17,652 96	18,511 63
Per cent of expenses to income.....	71.71	73.37
Income over operating expenses.....	\$447,236 42	\$465,148 73
Paid for interest.....	85,454 22	53,080 83
Dividends declared.....	360,000 00	400,000 00
Surplus.....	459,178 04	464,377 84
Passenger mileage.....	3,524,377 77	3,456,830 00
Freight mileage.....	18,449,599	19,113,518
Average rate passenger fare.....	.028	.028
Average rate of all passengers.....	.0275	.0275
Average rate freight per ton.....	.049	.048

Eastern Railroad of Mass.

The annual report of the Directors to the Railroad Commissioners for the year ending October 30 was made quite recently. The following is an abstract of the statistical returns as published in the Boston Advertiser:

Capital stock issued, amount paid in.....	\$4,997,000 00
Funded debt as follows:	
1st mortgage bonds Essex Railroad, due 1876.....	194,400 00
Bonds due at various dates, 6 per cent.....	11,173,543 00
Total amount of funded debt.....	11,367,943 00
*Unfunded debt, incurred for construction, equipment or purchase of property.....	1,822,936 11
Unfunded debt incurred for any other special purpose.....	978,538 89
Other debts—current credit balances, etc.....	664,027 17
Total debt liabilities.....	14,833,500 17
Amount of debt liabilities after deducting cash, sinking funds in hands of trustees, and such securities and debt balances as do not represent permanent investments.....	14,330,598 18
Great Falls and Conway bonds.....	1,000,000 00
Portsmouth and Dover Railroad notes.....	63,000 00

*This item is not to include balances due other roads, unclaimed dividends, or anything connected with the ordinary operations of the road. It refers only to debts incurred for permanent investments.

COST OF ROAD, EQUIPMENT AND PROPERTY.

Total expended for construction.....	\$12,363,111 84
Total for equipment.....	3,365,674 73

OTHER PROPERTY.

Stock of Portland, Great Falls & Conway Railroad.....	\$551,300 00
Stock of Wolfborough Railroad.....	397,000 00
Stock of Eastern New Hampshire Railroad.....	512 30
Stock of Maine Central Railroad.....	530,885 81
Pullman Palace Car Company.....	39,000 00
Bonds Portland, Great Falls & Conway Railroad.....	486,000 00
Lands in Massachusetts.....	1,586,929 90
Advances to Portland, Great Falls & Conway Railroad.....	12,376 12
Advances to Wolfborough Railroad.....	4 50
New Work.....	33,991 91
Total.....	\$2,915,655 77

Whole amount of permanent investments.....	13,637,475 33
Total property and assets of the company.....	19,536,510 15

EXPENDITURES CHARGED TO PROPERTY ACCOUNT DURING THE YEAR.

Main line, extension or alteration of road.....	\$30,196 66
Branches, extension or alteration of road.....	8,373 91
Land.....	964,188 79
Passenger and freight stations, wood-sheds and water stations.....	57,514 06
Engine houses, car sheds and turn tables.....	18,015 40
New locomotives.....	18,088 41
New passenger cars.....	411 70
New freight cars.....	1,140 34
Machine shops, machinery and tools.....	530 85
Advances to other roads and new work.....	51,120 56
\$383,100 P. G. F. & C. R. R. \$387,900 Wolfboro' R. R. (discount sterling loan, sinking fund and ten year notes).....	474,116 52
Stock in Maine Central and Eastern, N. H.....	560,408 31

Total.....\$2,530,937 22

Property sold and credited property account during the year:	
\$99,885 51 P. G. F. & C. R. R. bonds, \$32,000 Portsmouth Bridge stock, \$780,361 69 Land, net addition to property account for the year.....	2,530,937 22

REVENUE, EXPENSES, &C., FOR THE YEAR.

Total receipts from passenger department.....	1,765,580 04
Total receipts from freight department.....	993,077 04
Receipts as rents for use of road and equipment.....	8,000 00
Total earnings.....	2,766,657 08
Income from rent of property other than road and equipment.....	56,353 83
Income from Pullman Palace Car Company.....	4,680 00
Total income.....	2,827,390 74
Total expenses of operating the road.....	2,069,871 61
Total net income above operating expenses.....	757,419 13
Amount paid other companies as rent for use of road.....	200,916 00
Net income above the operating expenses and amount paid for rent of interest and interest accrued.....	556,503 13
Paid for interest and interest accrued.....	892,363 39
Balance for the year, deficit.....	335,859 26

Western Union Telegraph.—At the regular quarterly meeting of the Western Union directors, the report given below was read and accepted. The Executive Committee submit the following statement concerning the operations of the Company for the current six months:

The gross receipts for the quarter ended September 30, were.....	\$4,671,805 93
Expenses.....	1,762,632 45

Net profits.....	\$2,909,173 48
The gross receipts for the current quarter ending Dec 31, inst., (estimating the December business) are ..	\$3,538,160 26
Expenses.....	1,694,531 84

Net profits.....	\$1,843,628 42
Total profits for the half-year ..	\$1,752,781 90

The amount required for two quarterly dividends of two per cent. each is \$1,351,200, deducting which from the profits for the half-year leaves a balance of \$401,581 90. Deduct for six months' interest on the bonded debt and for sinking fund accruing during the same period, \$275,000, leaves a net balance of \$126,581 90. The excess of net profits for the current half-year over the same period for 1874 is \$94,451 48. In view of the foregoing statements, the Executive Committee recommend the adoption by the Board of Directors of the following:

Resolved, That a dividend of 2 per cent. from the net earnings of the three months ending December 31, be and the same is hereby declared payable on the 15th day of January next.

Resolved, That for the purpose of such dividend the stock-books be closed at 3 o'clock on the afternoon of the 30th inst., and be re-opened on the morning of the 17th of January.

The Committee also report that a further reduction of the expenses of the Company is to be effected by carrying out a plan recommended by the President, whereby the compensation payable to all officers and employees of the Company is to be reduced on and after the first day of January on a sliding scale, from 25 to 5 per cent.

WILLIAM ORTON, President.

This proposed reduction was approved by the Board, it being explained that the percentage of reduction is to be graded according to the amount of salaries, the largest salaries having the largest reduction.

GENERAL INVESTMENT NEWS.

Atlantic Mississippi & Ohio.—The Petersburg (Va.) Star of recent date says that letters just received from General Mahone give the pleasant intelligence that the English bondholders have exhibited the most liberal disposition to accommodate their demands to the temporary necessities of the company. The negotiations so far have been uninterruptedly successful, and General Mahone writes that he has no doubt of consummating his arrangements, and gaining for the road all the forbearance for which the directory asked.

Chesapeake & Ohio Railroad.—A comprehensive plan for the purchase and re-organization of this road has just been prepared by the board of directors and issued from the office of Messrs. Fisk & Hatch. The plan is approved by the following-named gentlemen, who are largely interested in the first mortgage bonds and other securities of the company: Richard Irvin, A. A. Low, John Castree, C. M. Fry, C. P. Huntington, Wm. Whitewright, Alex. Masterton, David Stewart, Jonas G. Clark, Charles Barkhalter, Fisk & Hatch.

In case of a proposition of this sort for the re organization of a railroad, two principal questions present themselves to bondholders—First, Will this plan secure to us more than can probably be got out of the property under any other practicable plan? Secondly, Will the parties proposing the plan carry it out with strict integrity according to its terms? With these questions confidently answered in the affirmative, a bondholder will not delay in giving his assent. As to the present case, we think that Messrs. Fisk & Hatch and their associates can, and will, do more with the Chesapeake & Ohio Railroad than any other parties, and that they will carry out in good faith any agreement

The Commercial Times.

COMMERCIAL EPITOME.

FRIDAY NIGHT, Dec. 10, 1875.

There have been many disturbing influences felt in the markets for merchandise the past week. The anticipation that the President's message would indicate a more active policy in relation to Cuban affairs, influenced the sugar market, while the proposition to restore the import duty on tea and coffee was also noticed, though the effect was slight. We have also had war rumors from Europe. Speculation, too, in Western staples has been rampant in the Western markets, and we have been more or less under their control. The holiday trade has occupied the attention of many local dealers. Under all these circumstances there is naturally a disposition to await developments; to see what the opening of the new year will bring forth.

The speculation in lard has been towards higher prices, with a large business on the spot, mainly at 13c. for prime city and 13 1/16@13 1/8c. for prime Western, and in the latter for future delivery at 13 1/8c. for January, 13 1/16c. for February, and 13 7/16c. for March. Pork has declined on the spot, but has sold higher for future delivery; mess for December at \$21 35, and for February at \$20 90. Bacon at some decline was more active, but a recovery of prices checked the demand. Western long and short clear together quoted at 11c. Cut meats have been drooping. Beef in good demand and steady. Butter has ruled more steady. Cheese has been drooping. Tallow has been irregular and unsettled. To-day, pork was dull and depressed. Lard declined 1-16c. from the above prices, and was quiet, with other hog products favoring buyers.

Coffees have been dull and prices weak; the stocks of Rio have been increased to 129,013 bags at this point, 126,795 bags at the Southern ports, and 87,900 bags afloat and loading for the United States. Mild grades have been fairly active, but close dull. Rice has had a declining tendency, and the stock of Rangoon is increased to 9,500 bags; there is also a large stock of domestic. Molasses has been more active, and new crop domestic is firmer. Teas have been more active and prices are higher. The sales of yesterday embraced 12,000 half chests of various qualities. Spices have been without important transactions. Sugars have been dull and prices are drooping. Stocks have been reduced, but the anticipation of the large yield of Louisiana sugars, coming upon this market, or into competition with it, has been felt adversely.

	Hhds.	Boxes.	Bags.	Melado.
Receipts since Dec. 1.....	1,363	1,082	5,574	
Sales since Dec. 1.....	4,354	2,883	31,916	1,985
Stock Dec. 9, 1875.....	21,174	15,375	44,471	2,323
Stock Dec. 10, 1875.....	46,717	30,540	23,710	87

Kentucky tobacco has been in better demand and steady at 7@9c. for lugs and 10@17c. for leaf; the sales for the week embraced 700 hhds., of which 600 were for export and 100 for consumption. Seed leaf has ruled a shade lower and moderately active; the sales embrace: Crop of 1870, 50 cases Connecticut at 84@9c.; crop of 1873, 400 cases do. wrappers, 100 cases Wisconsin, 20 cases Ohio, on private terms; crop of 1873 and 1874, 500 cases Pennsylvania, on private terms; crop of 1874, 175 cases Connecticut, at 7 1/2@8c., and 50 cases New York, on private terms. Spanish tobacco has remained steady, with a moderate business; sales 650 bales Havans at 88c.@\$1 15.

The firmness in ocean freights has continued, and some further advances have been obtained, owing to the limited supply of room and a steady demand from nearly all classes of shippers. Late engagements and charters include: Grain to Liverpool, by steam, 10@10 1/4d.; cotton, 7 1/2d.; provisions, 55s.; cotton, by sail, 11-12d.; flour to London, by steam, 8s. 6d.; do., by sail, 8s. and grain, 9d.; grain to Glasgow, by steam, 10@10 1/4d.; do., to Cork, for orders, at 7s. 6d. per qr.; do. to Gloucester at 7s. 1 1/4d.; refined petroleum to Liverpool and London, 5s. 3d.; do. to the Continent, 6s. To-day, there was a moderate business at full late rates. Grain to Liverpool, by steam (to fill), 10d.; cotton, 4d.; tallow, by sail, 25s. Grain to Cork for orders was nominally 7s. 6d.; case oil to Ancona, 85c., gold; refined, in bbls., from Philadelphia to Antwerp or Bremen, 5s. 3d.

There is nothing of importance going on in the naval store market; spirits turpentine quoted at 36 1/4@37c., and common to good strained rosin, \$1 70@1 77 1/2. In petroleum few sales have been made, on account of the difficulty that exporters experience in obtaining adequate charter room. Crude, in bulk, 7c.; do., in bbls., 12 1/2@12 3/4c., for spot and all December delivery. Ingot copper remains at 33 1/2@23 1/4c., cash, for Lake, with only a small business, embracing 125,000 lbs. at these figures. Clover seed has sold at 12 1/2c. per lb. Whiskey closes at \$1 17.

Linseed oil has remained steady, with a fair demand, at 62@63c. Crude sperm has ruled higher, owing to the light supply; there have been arrivals at New Bedford of about 2,500 bbls., most of which have sold for export, supposed to be at \$1.60. Menhaden firmer but quiet, at 42@43c. for prime Sound. Hides have been in fair demand and about steady; dry Montevideo sold at 20 1/2c. gold, 4 months, and city slaughter, ox, 9 1/2c. currency. Fish have been quiet and unchanged.

COTTON.

FRIDAY, P. M., Dec. 10, 1875.

THE MOVEMENT OF THE CROP, as indicated by our telegrams from the South to-night, is given below. For the week ending this evening (December 10) the total receipts have reached 172,901 bales, against 157,830 bales last week, 183,164 bales the previous week, and 186,135 bales three weeks since, making the total receipts since the 1st of September, 1875, 1,763,886 bales, against 1,633,424 bales for the same period of 1874, showing an increase since Sept. 1, 1875, of 130,462 bales. The details of the receipts for this week (as per telegraph) and for the corresponding weeks of five previous years are as follows:

Receipts this week at—	1875.	1874.	1873.	1872.	1871.	1870.
New Orleans.....	61,011	53,196	56,696	37,535	35,446	57,114
Mobile.....	17,542	23,557	15,983	14,264	12,563	19,485
Charleston.....	17,771	19,360	21,374	13,523	12,791	14,588
Port Royal, &c.....	732	531	....	....	....	....
Savannah.....	22,952	28,518	32,555	27,587	18,638	27,808
Galveston.....	13,697	21,847	19,974	11,436	7,256	7,226
Indianola, &c.....	616	651	917	....	....	....
Tennessee, &c.....	13,015	5,598	6,638	6,000	6,013	7,915
Florida.....	639	467	580	350	870	307
North Carolina.....	4,025	3,975	1,811	1,534	1,036	4,094
Norfolk.....	19,336	16,071	16,438	11,701	10,247	13,879
City Point, &c.....	1,511	1,427	892	1,337	295	....
Total this week.....	172,901	180,065	178,837	125,564	105,839	152,311
Total since Sept. 1.....	1,763,886	1,633,424	1,328,134	1,401,332	298,051	1,212,545

The exports for the week ending this evening reach a total of 82,121 bales, of which 51,454 were to Great Britain, 4,657 to France, and 26,010 to rest of the Continent, while the stocks as made up this evening are now 668,305 bales. Below are the stocks and exports for the week, and also for the corresponding week of last season:

Week ending Dec. 10.	Exported to			Total this week.	Same week 1874.	Stock.	
	Great Britain.	France.	Continent.			1875.	1874.
New Orleans.....	22,127	....	6,813	28,940	39,648	216,884	173,980
Mobile.....	3,402	....	4,643	8,045	5,357	49,683	51,391
Charleston.....	5,317	....	3,850	9,667	10,613	64,104	66,558
Savannah.....	....	3,904	6,017	9,331	38,077	81,813	101,790
Galveston.....	4,648	1,353	2,000	8,001	2,592	84,326	85,033
New York.....	11,656	....	1,581	13,217	10,835	112,496	130,090
Other ports.....	3,804	....	1,126	4,930	10,015	59,000	58,000
Total this week..	51,454	4,657	26,010	82,121	117,017	668,305	655,787
Total since Sept. 1	547,531	125,011	224,852	897,394	828,457	....	....

* The exports this week under the head of "other ports" include from Baltimore 272 bales to Liverpool and 51 bales to Bremen; from Boston 500 bales to Liverpool; from Philadelphia 1,400 bales to Liverpool; from New York 1,815 bales to Liverpool; from Wilmington 1,075 bales to Amsterdam; from San Francisco 49 bales to Liverpool.

Our telegram from New Orleans to-night shows that besides the above exports the amount of cotton on shipboard, and engaged for shipment at that port, is as follows: For Liverpool, 31,500 bales; for Havre, 30,000 bales; for Continent, 17,000 bales; for coastwise ports, 500 bales; total, 79,000 bales; which, if deducted from the stock, would leave 138,000 bales representing the quantity at the landing and in presses unsold or awaiting orders.]

From the foregoing statement it will be seen that, compared with the corresponding week of last season, there is a decrease in the exports this week of 34,896 bales, while the stocks to-night are 12,519 bales more than they were at this time a year ago. The following is our usual table showing the movement of cotton at all the ports from Sept. 1 to Dec. 3, the latest mail dates:

PORTS.	RECEIPTS SINCE SEPT. 1.		EXPORTED SINCE SEPT. 1 TO—			Coastwise Ports.	Stock.
	1875.	1874.	Great Britain.	France.	Other foreign.		
N. Orleans.....	397,663	837,818	123,854	75,097	54,320	253,211	53,785
Mobile.....	136,814	130,684	35,044	2,963	3,121	40,700	53,313
Charleston.....	219,490	225,050	46,812	28,535	28,011	93,408	57,587
Savannah.....	281,911	315,157	57,733	14,536	73,590	145,864	80,973
Galveston.....	224,191	132,619	45,030	839	4,238	80,117	90,802
New York.....	36,860	40,721	120,413	1,603	30,079	152,100	....
Florida.....	4,943	5,234	....	....	....	....	4,919
N. Carolina.....	45,904	40,096	6,778	....	....	6,778	31,586
Norfolk.....	221,098	168,625	31,908	1,817	....	33,723	169,137
Other ports.....	22,111	17,305	27,900	....	6,450	31,890	....
Tot. this yr.....	1,890,985	....	496,067	100,974	103,842	315,263	545,936
Tot. last yr.....	....	1,453,359	573,910	61,958	75,653	71,441	529,030
							608,227

* Under the head of Charleston is included Port Royal, &c.; under the head of Galveston is included Indianola, &c.; under the head of Norfolk is included City Point, &c.

These mail returns do not correspond precisely with the total of the telegraphic figures, because in preparing them it is always necessary to incorporate every correction made at the ports.

The market for cotton on the spot opened the week with considerable buoyancy of feeling, especially in the better grades, which

shipments from Bombay to Europe, and that the total movement since January 1 shows an increase in shipments of 15 000 bales compared with the corresponding period of 1874.

WEATHER REPORTS BY TELEGRAPH.—The weather has shown some improvement the past week over a very considerable portion of the South, and yet there have been rainy days almost everywhere. Good dry picking weather is very desirable now, especially in the Southwestern and Gulf States, in many portions of which there are still large quantities of cotton yet in the fields. Our Vicksburg correspondent indicates how important good weather is for that section, and what he says of Vicksburg is true of many other points.

Our readers will find below the Augusta and Nashville Cotton Exchange crop reports.

Galveston, Texas.—We have had rain on three days. One day it rained hard and two days were showery. Picking is retarded by the bad weather, but is now approaching completion everywhere. The roads are still bad, though improving. The bad roads are the cause of the small receipts this week. Ice formed this week over the greater part of the State, but frost has ceased to be of any importance. The rainfall has reached two inches and seventeen hundredths, and the thermometer has averaged 61, the highest being 70 and the lowest 40.

Indianola, Texas.—There have been two showery days here this week and one day when it rained hard. We had a killing frost on one night, but frost has come so late that virtually it did no damage. Injury has, however, been done by the rain. The rainfall this week was one inch and forty-five hundredths. The thermometer has averaged 63, the highest being 71 and the lowest 32.

Corpus Christi, Texas.—It has rained a drizzling kind of rain on three days this week. On two nights ice formed in this vicinity. The bad weather has delayed picking, but in this neighborhood it is now nearly finished. The rainfall has reached twenty-eight hundredths of an inch, and the thermometer has averaged 50, the highest being 72 and the lowest 30.

New Orleans, Louisiana.—We had rain on two days of the past week, the rainfall reaching four inches and fifty-six hundredths; the thermometer averaged 57. We had two white frosts during the week.

Shreveport, Louisiana.—It was rainy here on Saturday last, the rainfall for the week reaching one inch and four hundredths. The weather since Monday has been fine for picking. Receipts are on the increase. Average thermometer for the week 51, highest 69 and lowest 35.

Vicksburg, Mississippi.—Rain fell on two days of the past week, the rainfall aggregating one inch and fifty-two hundredths. Rain now is very damaging, for we have grown a large crop in this vicinity, and the only question has been, can we gather it? On an average there are about 100 picking days here up to Christmas. This year we had lost, up to December 1, fifteen or twenty days more than last year. The tendency of this rain is also to rot the bolls and make much drop on the ground. Nearly all cotton picked after December 1 is likely to be extremely low grade. At this time, we think it very doubtful what will be the extent of the yield. Your Georgia friend is right; no one can tell until it is housed. The thermometer this week has averaged 52, the highest being 61 and the lowest 43.

Columbus, Mississippi.—The weather this week has been warm, sultry and wet, but we have had two killing frosts. It was showery every day, the rainfall reaching a total of seventy-two hundredths of an inch. The thermometer has averaged 58, the highest point reached being 68 and the lowest 51.

Little Rock, Arkansas.—The past week was cloudy and damp, until Thursday morning, when we had a slight fall of snow. Since then the weather has been clear and pleasant. The thermometer has averaged during the week 48, ranging from 31 to 60. The rainfall has reached a total of forty six hundredths of an inch. The cotton movement is very heavy.

Nashville, Tennessee.—The thermometer during the past week has averaged 46. The rainfall for the week was twenty hundredths of an inch.

The Cotton Exchange crop report has just been issued. It gives results as follows: *Tennessee* (Nashville district).—Six correspondents report the weather more favorable than last year, five the same, and eleven less favorable. Eight report three-fourths of crop gathered, fifteen report seven eighths gathered; the whole will be picked within the next ten days. Nine report that they will be from 10 to 25 per cent. less than last year, five make it 33 per cent. less, and six make it 50 per cent. less. *Alabama* (Nashville section).—Three correspondents report the weather same as last year, and twenty-one report it less favorable on account of the rains. Three report two-thirds picked, eighteen report three fourths, and four report all gathered. All will be picked by the 15th or 20th of December. The average of all replies makes the yield in North Alabama this year 33 per cent. less than last year.

Memphis, Tennessee.—We have had three rainy days this week, the rainfall reaching forty-seven hundredths of an inch; the rest of the week was cloudy. Average thermometer 43, highest 52 and lowest 44.

Mobile, Alabama.—It rained severely on two days the early part of the week, but the latter part was clear and cold. There were killing frosts on Tuesday, Wednesday and Thursday nights. Our first killing frost last year was on November 2d. The thermometer has averaged 54, ranging from 36 to 68, and the rainfall has reached one and sixty-seven hundredths inches.

Montgomery, Alabama.—The first six days of the week were rainy, the rainfall reaching one inch and forty hundredths. There were two killing frosts during the week, and ice formed each night. The thermometer has averaged 49, the highest being 65 and the lowest 34.

Selma, Alabama.—There were two rainy days here the past week, the rainfall reaching sixty-five hundredths of an inch, and two heavy frosts. The thermometer has averaged 51.

Madison, Florida.—We had three rainy days the early part of the week, the rainfall reaching one and fifty hundredths inches. The thermometer has averaged 55, the highest being 66 and the lowest 44. We had a frost this week, but not a killing frost. The top crop is poor.

Macon, Georgia.—There was one rainy day at this point the past week. The thermometer has averaged 47, the highest being 66 and the lowest 33. The rainfall for the month of November reached a total of four inches and forty-eight hundredths.

Atlanta, Georgia.—It was showery here on four days the past week, and the rest of the week was cloudy. The thermometer during the week has averaged 47, the extreme range being 39 to 63. Total rainfall one inch and seventy-nine hundredths; for the month, three inches and sixty-two hundredths. About two thirds of the crop has now been marketed.

Columbus, Georgia.—There were two rainy days here the past week, the rainfall reaching one inch and ninety-two hundredths. The thermometer has averaged 47, the highest being 62 and the lowest 31.

Savannah, Georgia.—Rain fell here the early part of the week on four days, the rainfall reaching seventy-two hundredths of an inch. The latter part of the week was clear and pleasant but cold, and last night there was a killing frost. The thermometer has averaged during the week 52, and has been up to 62 and as low as 40.

Augusta, Georgia.—It rained here heavily the early part of the week, rain having fallen on four days, the rainfall reaching one inch and forty six hundredths. The thermometer has averaged 65, the highest being 84 and the lowest 30. Planters are sending cotton to market freely.

Our Cotton Exchange crop report for December 1st has been issued this week. According to it the weather for the last half of November has not been quite as favorable for gathering the crop as last year, the complaint being more frequent rains. About 93 per cent. has been picked, and all will be gathered Dec. 15th. Two counties report a small increase in the yield over last year; three counties same as last year; balance a decrease ranging from ten to fifty per cent.; average for this district 18 to 20 per cent. less than last year. Twenty-five per cent. more seed cotton is required to make a pound of lint than last year. Proportion of low grades and stained is unusually large.

Charleston, South Carolina.—It has been showery here four days this week, the rainfall aggregating seventy-eight hundredths of an inch. The thermometer has averaged 51, the highest being 65 and the lowest 34. We had our first frost in this city this morning.

The following statement we have also received by telegraph showing the height of the rivers at the points named at 3 o'clock Dec. 9. We give last year's figures (Dec. 11, 1874) for comparison.

	Dec. 9, '75.		Dec. 11, '74.	
	Feet.	Inch.	Feet.	Inch.
New Orleans..Below high-water mark.....	10	8	15	1
Memphis....Above low-water mark.....	17	3	7	7
Nashville....Above low-water mark.....	20	1	5	2
Shreveport....Above low-water mark.....	5	8	8	10
Vicksburg....Above low-water mark.....	25	0	11	0

New Orleans reported below high-water mark of 1871 until Sept. 9, 1874, when the zero of gauge was changed to high-water mark of April 15 and 16, 1874, which is 6-10ths of a foot above 1871, or 16 feet above low-water mark at that point.

GUNNY BAGS, BAGGING, ETC.—The market for bagging during the past week has ruled quiet, and but few sales are making. Orders come in slowly and light in amount, but holders are filling them at 12½@13½ cash. The advance in butts has had the effect of making manufacturers unwilling to sell their stocks at the ruling figures. Bales continue nominal for both India and Borneo. Bags are quiet, with holders asking 12@13½c. for 440s., with no sales. Butts have been in good demand and sales are making to arrive in all about 5,000 bales, at about 2½@2¾c., gold, duty paid, 2½c. gold, in bond, and 2½@3c., currency, the market closing firm at these figures.

AGRICULTURAL BUREAU'S CROP REPORT.—The following is received by telegraph from Washington this afternoon. It seems to be an explanation of the November report, and is interpreted here as indicating that the report to be issued the middle of this month will be made to show a total larger than the November report indicated:

"In regard to cotton, it may be stated to avoid misunderstanding that the accurate figuring of the November percentages made an aggregate approximating 3,900,000 bales—not 500,000 less as some have calculated. Their error consisted in giving too large a number of bales to the seaboard states, whose percentages are low, and too small totals to the Western States; especially in giving Alabama a larger production than Mississippi, which she lacks by nearly twenty per cent. But the November returns are always more conservative than those of condition during the summer, and a careful analysis of the season's reports, in all their aspects, would compel an estimate, if made with no further data, not far from five per cent greater than the returns of November alone would indicate. It might be still larger but for the comparative lateness of development and reduced yield of lint in proportion to seed. This renders it almost certain that the crop will pass the limit of four million bales. So much may be said in advance of the final return and official estimate."

Some of our readers may not understand the above when taken in connection with the closing sentence of the November report, which was: "These figures point to a small advance upon last

"year's aggregate, if November and December should be favorable" to the opening and picking of the top crop." November and the first part of December certainly have not been nearly as favorable as last year. Hence, the only conclusion to be drawn from these two statements is, we suppose, that the Bureau wishes to acknowledge that its November report was erroneous.

INDIA CROP.—We have, to day, one week later mail reports from India, and from them it would appear that there has been another damaging storm in the Central Provinces and the Berars. Messrs. Nicol & Co., under date of Bombay, October 30, say:

Our Hingunghat correspondent reports that very heavy rain (6½ inches) visited that district on the 25th inst., and that considerable damage has been done. The out-tara will, it is now expected, be much shorter than seemed probable a week ago, and doubtless black leaf will be found in the first pickings; but, if no farther downpour experienced, the later gatherings of the crop should possess a very superior staple.

Messrs. Peel, Cassels & Co., under date of Bombay, November 1, state:

Just after our circular had gone to press last Monday morning, we had news by wire of heavy rain in the Central Provinces and some in the Berars; and the advices which have since come to hand by post are confirmatory of the unfavorable news. At Wardah, one of the two chief marts of the Hingunghat district, as much as 5½ inches of rain fell on the Saturday night, and from the surrounding villages it is reported that considerable damage has been done, the heavy rain having caused the bolts and flowers to fall from the plant; as, however, the moisture will produce extra bolls, much loss may not result to the crop eventually; but meantime the gathering will be retarded, and supplies cannot be looked for at Wardah till December. At Hingunghat and the outlying villages there was a good deal less rain, and the fields, though backward, are in a better state than those at Wardah. Latest reports state that since the 27th ult. the weather at both places has been clearing up.

Our news from the Oomrawuttee districts, under date the 28th ultimo, report showers of rain at Julgaum (where noticeable damage is said to have been done to the podding plants). Khaugann and Shegaum—though nothing like the heavy fall at Wardah—and unsettled weather generally throughout the circle.

Advices regarding the Broach crop continue favorable, but the latest sowings would reap much benefit in their present stage of growth from a good shower of rain.

We have received first samples of new Scinde, which will commence arriving early in December, and free supplies of which may be looked for a month or so later. Large contracts for the China market, however, still keep prices at too high a range for European buyers.

Telegrams and letters from friends at Tuticorin state that Tinnevely is not now obtainable for earlier shipment than December, heavy rain in the district having almost put a stop to business in what remains of this crop, for the present.

Messrs. Finlay, Muir & Co., of the same date, write:

The crop accounts from above Shand are less favorable. Rain has fallen, and it is feared that the Hingunghat crop may be materially damaged. The Oomrawuttee and Khaudai crops, not being so far advanced, will, it is hoped, not suffer. There is no rain yet in the Southern Mahratta Country.

LIVERPOOL, Dec. 10.—4:30 P. M.—**BY CABLE FROM LIVERPOOL.**—The market has ruled firm to-day. Sales of the day were 12,000 bales, of which 2,000 bales were for export and speculation. Of to-day's sales 8,000 bales were American. The weekly movement is given as follows:

	Nov. 19.	Nov. 26.	Dec. 3.	Dec. 10.
Sales of the week.....bales.	69,000	58,000	70,000	70,000
Forwarded.....	8,900	7,000	11,000	14,000
of which exporters took.....	7,000	6,000	9,000	9,000
of which speculators took.....	3,000	4,000	4,000	5,000
Total stock.....	546,000	533,000	500,000	494,000
of which American.....	173,000	175,000	185,000	184,000
Total import of the week.....	85,000	49,000	46,000	60,000
of which American.....	17,000	34,000	37,000	41,000
Actual export.....	10,000	2,000	10,000	6,000
Amount afloat.....	288,000	325,000	393,000	406,000
of which American.....	181,000	216,000	289,000	296,000

The following table will show the daily closing prices of cotton for the week:

Spot.	Satur.	Mon.	Tues.	Wednes.	Thurs.	Fri.
Mid. Up'ds. @6½	..@6½	..@6½	..@6½	..@6 15-16.	..@6 15-16.	..@6 15-16.
do Or'ds. @7 3-16	..@7 3-16	..@7 3-16	..@7 3-16	..@7 3-16	..@7 3-16	..@7 3-16

Futures.—**SATURDAY.**—Jan.-Feb. shipment from Sav. or Chas., Low Mid. clause, by sail, if required, 6 13-16d.

Jan.-Feb. delivery from Sav. or Chas., Low Mid. clause, 6½d.

March-April delivery from Sav. or Chas., Low Mid. clause, 6 13-16d.

MONDAY.—Dec.-Jan. shipment from Sav. or Chas., Low Mid. clause, 6½d.

Jan.-Feb. shipment from Sav. or Chas., Low Mid. clause, by sail, if required, 6 13-16d.

Jan.-Feb. delivery from Sav. or Chas., Low Mid. clause, 6½d.

TUESDAY.—Dec.-Jan. shipment from Sav. or Chas., Low Mid. clause, by sail, if required, 6 13-16d.

March-April delivery from Sav. or Chas., Low Mid. clause, 6 13-16d.

Jan.-Feb. shipment from Sav. or Chas., Low Mid. clause, by sail, if required, 6½d.

Dec. delivery from Sav. or Chas., Low Mid. clause, 6 13-16d.

Feb.-March delivery from Sav. or Chas., Low Mid. clause, 6 11-16d.

WEDNESDAY.—Dec.-Jan. shipment from New Orleans, Low Mid. clause, by sail, if required, 6 13-16d.

Jan.-Feb. delivery from Sav. or Chas., Low Mid. clause, 6 13-16d.

Dec.-Jan. shipment from Sav. or Chas., Low Mid. clause, by sail, if required, 6½d.

March-April delivery from Sav. or Chas., Low Mid. clause, 6½d.

THURSDAY.—Nov.-Dec. shipment from Sav. or Chas., Low Mid. clause, by sail, if required, 6 13-16d.

March-April delivery from Sav. or Chas., Low Mid. clause, 6 13-16d.

April-May delivery from Sav. or Chas., Low Mid. clause, 6½d.

Dec.-Jan. shipment from Sav. or Chas., Low Mid. clause, by sail, if required, 6 13-16d.

Jan.-Feb. shipment from Sav. or Chas., Low Mid. clause, by sail, if required, 6½d.

Dec.-Jan. shipment from New Orleans, Low Mid. clause, by sail, if required, 6 13-16d.

Feb.-March delivery from Sav. or Chas., Low Mid. clause, 6 13-16d.

FRIDAY.—March-April delivery from Sav. or Chas., Low Mid. clause, 6½d.

November shipment from Sav. or Chas., Low Mid. clause, by sail, if required, 6½d.

Dec.-Jan. shipment from Sav. or Chas., Low Mid. clause, by sail, if required, 6½d.

The exports of cotton from New York, this week, show a decrease, as compared with last week, the total reaching 13,217 bales, against 14,129 bales last week. Below we give our usual table showing the exports of cotton from New York, and their direction, for each of the last four weeks; also the total exports and direction since Sept. 1, 1875; and in the last column the total for the same period of the previous year.

Exports of Cotton (Bales) from New York since Sept. 1, 1875

EXPORTED TO	WEEK ENDING				Total to date.	Same period previous year.
	Nov. 17.	Nov. 21.	Dec. 1.	Dec. 8.		
Liverpool.....	14,168	16,856	11,450	11,656	130,625	132,620
Other British Ports.....	.....	.....	.....	.....	1,444	.....
Total to Gt. Britain	14,168	16,856	11,450	11,656	132,069	132,620
Havre.....	500	.....	225	.....	1,608	2,998
Other French ports.....	.....	.....	.....	.....	.....	.....
Total French	500	.....	225	.....	1,608	2,998
Bremen and Hanover.....	1,000	1,021	1,584	675	12,583	8,160
Hamburg.....	775	1,480	.....	286	7,304	11,434
Other ports.....	474	.....	870	600	11,405	600
Total to N. Europe	2,249	2,501	2,454	1,561	31,990	20,194
Spain, Oporto & Gibraltar &c	.....	.....	.....	.....	350	10
All others.....	.....	.....	.....	.....	350	10
Total Spain, &c.....	.....	.....	.....	.....	350	10
Grand Total.....	16,917	19,357	14,129	13,217	165,317	155,822

The following are the receipts of cotton at New York, Boston, Philadelphia and Baltimore for the last week, and since Sept. 1, '75:

REC'D'S FROM-	NEW YORK.		BOSTON.		PHILADELPHIA		BALTIMORE.	
	This week.	Since Sept. 1.	This week.	Since Sept. 1.	This week.	Since Sept. 1.	This week.	Since Sept. 1.
New Orleans.....	5,974	33,376	.....	186	.....	.....	.....	.....
Texas.....	.....	28,644	.....	.....	.....	.....	.....	.....
Savannah.....	2,410	44,943	974	5,884	533	7,976	892	8,411
Mobile.....	.....	.....	.....	.....	.....	.....	.....	.....
Florida.....	360	3,312	.....	.....	.....	.....	.....	.....
S'th Carolina.....	2,500	47,114	.....	.....	.....	.....	234	7,170
N'th Carolina.....	1,793	25,668	2,744	38,468	.....	.....	830	9,172
Virginia.....	7,438	98, 87	2,849	37,098	.....	.....	2,297	29,088
North'n Ports.....	234	5,830	2,849	37,098	.....	.....	.....	.....
Tennessee, &c	9,140	46,000	2,792	16,058	1,063	7,767	.....	2,161
Foreign.....	357	1,002	4	4	.....	.....	.....	.....
Total this year	32,226	359,675	9,351	75,698	1,616	15,743	3,758	56,005
Total last year	26,001	360,528	14,142	88,363	3,010	22,504	3,995	49,859

SHIPPING NEWS.—The exports of cotton from the United States the past week, as per latest mail returns, have reached 120,951 bales. So far as the Southern ports are concerned, these are the same exports reported by telegraph, and published in THE CHRONICLE last Friday. With regard to New York, we include the manifests of all vessels cleared up to Wednesday night of this week.

NEW YORK.		BOSTON.		PHILADELPHIA		BALTIMORE.	
Total bales.		Total bales.		Total bales.		Total bales.	
New York—To Liverpool, per steamers Idaho, 3,135..... Celtic, 1,743		.....		.....		.....
.....Spain, 1,848.....City of Montreal, 1,013.....Algeria, 1,606... per ship Albania, 2,187.....per bark H. L. Routh, 105.....		.....		.....		11,656	
To Bremen, per steamer Herder, 385.....		.....		.....		286	
To Hamburg, per steamer Herder, 385.....		.....		.....		600	
To Sweden, per steamer Navarino, 600.....		.....		.....		.....
NEW ORLEANS—To Liverpool, per steamers Trafalgar, 3,330.....Marina, 3,400.....per ships Baden, 3,950.....Western Empire, 4,752.....per barks Nerea, 1,313.....Dronning Louise, 1,515.....Scioto, 3,125.....		.....		.....		18,269	
Up and 134 sea island.....Paca, 485 Upland.....Tameraria, 540 Upland.....		.....		.....		3,125	
To Cork for orlers, per bark Grosvenor, 1,700 Upland.....		.....		.....		7,455	
To Havre, per bark Sirrah, 1,738 Upland.....		.....		.....		1,753	
To Rotterdam, per barks Aurora, 1,930 Upland.....Harriet Campbell, 1,900 Upland.....		.....		.....		3,830	
To Barcelona, per bark Camila, 600 Upland.....per brig J. von Ana, 850 Upland.....		.....		.....		.....
Diana, 650 Upland.....		.....		.....		.....
SAVANNAH—To Liverpool, per bark Joseph P. Brown, 4,429 Upland.....Lawrence Brown, 3,002 Upland.....per bark A. A. Allen, 1,762 Upland.....		.....		.....		9,187	
To Barcelona, per steamer Jose, 2,395 Upland.....per barks Galceran, 2,100 Upland.....Paquete del Vendrell, 1,5 0 Upland.....		.....		.....		5,915	
TEXAS—Our Texas mail has failed to reach us.		.....		.....		.....
WILMINGTON—To Liverpool, per barks Barend, 1,644.....Premier, 1,700.....		.....		.....		3,344	
NORFOLK—To Liverpool, per steamer Darien, 2,825.....per ship H. S. Gregory, 7,300.....per barks Reyard, 3,478.....S. R. Lyman, 1845.....		.....		.....		15,846	
To Havre, per brig E. B. Gore, 1,817.....		.....		.....		1,817	
BALTIMORE—To Bremen, per steamers Ohio, 529.....Nurnberg, 100.....per bark Anagar, 51.....		.....		.....		680	
BOSTON—To Liverpool, per steamers Parana, 410.....Marathon, 514.....		.....		.....		924	
PHILADELPHIA—To Liverpool, per steamer Ohio, 784.....		.....		.....		784	
To Antwerp, per steamer Vaderland, 260.....		.....		.....		360	
SAN FRANCISCO—To Liverpool, per ship Nelson, 49 (foreign).....		.....		.....		49	
Total		120,951		120,951		120,951	

The particulars of these shipments, arranged in our usual form, are as follows:

	Liverpool.	Cork.	Bre.	Rotter.	Swa.	Barce.	Total.
New York.....	11,656	.....	675	.....	600	.....	13,217
New Orleans.....	18,969	.....	19,199	4,760	.....	1,417	43,645
Mobile.....	7,233	.....	.....	.....	.....	.....	7,233
Charleston.....	7,455	1,700	1,758	.....	3,890	3,125	17,858
Savannah.....	9,187	.....	.....	.....	.....	5,915	15,102
Wilmington.....	3,344	.....	.....	.....	.....	.....	3,344
Norfolk.....	15,346	.....	1,817	.....	.....	.....	17,163
Baltimore.....	.....	.....	680	.....	.....	.....	680
Boston.....	924	.....	.....	.....	.....	.....	924
Philadelphia.....	784	.....	.....	.....	.....	.....	1,144
San Francisco.....	49	.....	.....	.....	.....	.....	49
Total	74,839	1,700	22,774	6,115	3,890	600	120,951

Included in the above totals are, from New York, 286 bales to Hamburg; from Philadelphia, 360 bales to Antwerp.

Below we give all news received to date of disasters, &c., to vessels carrying cotton from United States ports:

AMBOLA, str. (Sp.), from Galveston for Liverpool, put into Havana Nov. 30 in distress, of that Nature not stated, and remained her voyage Dec. 4.
 AMERICA, str. from Savannah for Baltimore which put back to Savannah, disabled, will be repaired at the latter port. Her cargo was taken forward to New York by steamer Merropolis.
 D. J. FOLEY, str. at Baltimore, from Wilmington, N. C., reports, Dec. 2, during a gale with heavy sea, lost sails and anchored under Cape Lookout, and remained until the 4th.
 DURHAM, str. (of Hull), Brown, from New Orleans Nov. 23 for Reval, put into Tybee Dec. 6 with her shaft broken.
 GUTTENBAYER, str. (Span.), Arisoleaga, from Charleston for Liverpool, put into Waterford N. v. 20, with machinery disabled.
 JAMAICAN, str. (Br.), Winder, from New Orleans for Liverpool, at Crookhaven Dec. 1, had been spoken in lat. 51. lon. 14, with engine stopped.
 JOSE, str. (Span.), Albizuri, which sailed from Savannah Dec. 4 for Barcelona, put back to Tybee Sta. with her main eccentric strap broken. She would probably sail again 7th.

Cotton freights the past week have been as follows:

	Liverpool.	Havre.	Bremen.	Hamburg.
	Steam.	Sail.	Steam.	Sail.
Saturday...	11-16	11-16	1 comp.	1 comp.
Monday...	11-16	11-16	1 comp.	1 comp.
Tuesday...	11-16	11-16	1 comp.	1 comp.
Wednesday...	11-16	11-16	1 comp.	1 comp.
Thursday...	11-16	11-16	1 comp.	1 comp.
Friday...	11-16	11-16	1 comp.	1 comp.

Market steady.

BREADSTUFFS.

FRIDAY, P. M., December 10, 1875.

The flour market opened the week under a feeling of much depression, and a lower range of prices was soon established,—low shipping extras selling at \$5, and choice West India brands at \$6 20; but from this point a firmer feeling was developed; the better grades of extras were held pretty firmly at old prices, and there was an improvement in the general demand; quotations, however, were generally retained at the reduced range. Supplies are large at all points, and much of the stock cost more than could now be realized; holders are therefore reluctant sellers. Rye flour has declined, but corn meal and buckwheat flour have met with a fair demand. To-day, the market was dull, but shipping grades well held.

The wheat market has been unsettled, and yet prices show no important variation. The opening was heavy, but on Monday afternoon, with more favorable advices from abroad, there was a more active demand for export, and a good business to home millers, which, with the limited offerings, gave a stronger tone to the market. There were liberal sales of Milwaukee Spring at \$1 14@1 16 for No. 3, \$1 25@1 27 for No. 2, and \$1 35@1 36 for No. 1, in store and afloat. Other qualities were neglected. The strength of the market is wholly speculative. Receipts and stocks are largely in excess of last year; counting the quantity afloat in our harbor, the visible supply is not less than 13,000,000 bushels, of which 8,000,000 bushels are at New York; prices are fully 15 per cent. higher than last December; the foreign markets are well supplied and dull; ocean freights scarce and high; and but for the cheapness of money the situation might be regarded as a critical one to holders, coupled, as it is, with the circumstance that much of the stock is not in condition to be held for a considerable period. To-day, the market was dull and unsettled.

Indian corn has become only moderately active; shippers and the home trade have alike operated sparingly; but the offerings have been quite moderate, and no important change has taken place in the prices current. The sales of new corn have included white Southern, at 70¢@71¢. To-day, the market was dull, but prices were about steady.

Rye has been more firmly held, and, in a small way, has brought extreme prices, with 87¢, reported bid for Canada in bond. Barley experienced a decided advance in prices, following a large business, but toward the close the market became dull and the advance was barely maintained, owing to the probable re opening of the Hudson river, and the consequent increase in our supplies. Canada peas have been selling moderately at \$1 06 @1 07, in bond.

Oats have been rather slow of sale, but with holders very firm in their views, full prices have been realized, especially for sound lots. The recent speculation has caused a considerable accumulation of stocks, but it is expected that receipts will soon be smaller. To-day, there was a very unsettled market, with prices of some lots showing a slight decline.

The following are closing quotations:

FLOUR.		GRAIN.	
No. 1...	3 65@4 10	Wheat—No. 3 spring, bush...	1 10@1 15
Superfine State & West...	4 50@4 85	No. 2 spring...	1 30@1 37
Extra State, &c...	5 15@5 35	No. 1 spring...	1 33@1 38
Western Spring Wheat...	5 00@5 40	Red Western...	1 10@1 28
do XX and XXX...	5 50@6 75	Amber do...	1 30@1 42
do winter wheat X and...	5 25@8 25	White...	1 40@1 52
City shipping extra...	5 50@6 25	Corn—Western mixed...	64@75
City trade and family brands...	6 50@7 75	White Western...	68@77
Southern bakers' and family brands...	7 00@8 25	Yellow Western...	72@76
Southern shipping extras...	5 50@6 75	Rye...	87@95
Rye flour, superfine...	4 50@5 35	Oats—Mixed...	40@49
Corn meal—Western, &c...	3 25@3 70	White...	47@53
Corn meal—Br wine, &c...	3 90@4 00	Barley—Canada West...	1 15@1 35

The movement in breadstuffs at this market has been as follows:

RECEIPTS AT NEW YORK.				EXPORTS FROM NEW YORK.			
	1875.	Since Jan. 1.	1874.		1875.	Since Jan. 1.	1874.
Flour, bbls.	93,774	8,639,377	3,797,119	Wheat, bush.	47,613	2,737,834	2,998
C. meal, "	4,983	121,120	168,062	Oats, bush.	3,198	168,056	16,537
Wheat, bus.	637,011	33,080,599	11,474,733	Barley, bush.	159,933	100	611,661
Corn, "	240,445	21,637,111	23,581,839	Rye, bush.	110	—	3,000
Rye, "	7,800	292,619	595,609	Oats, "	621	132,510	605
Barley, "	45,872	4,582,733	2,727,659				118,374
Oats, "	177,879	10,314,042	10,541,932				

The following tables show the Grain in sight and the movement of Breadstuffs to the latest mail dates.

RECEIPTS AT LAKE AND RIVER PORTS FOR THE WEEK ENDING DEC. 4, 1875, AND FROM AUGUST 1 TO DEC. 4:

	Flour, bbls.	Wheat, bush.	Corn, bush.	Oats, bush.	Barley, bush.	Rye, bush.
At—	(196 lbs.)	(60 lbs.)	(55 lbs.)	(32 lbs.)	(48 lbs.)	(56 lbs.)
Chicago...	40,878	436,176	153,374	153,985	69,197	8,919
Milwaukee...	48,271	1,189,219	41,150	23,837	45,590	5,890
Toledo...	888	81,104	260,390	11,859	15,360	345
Detroit...	13,023	119,365	3,861	1,637	25,611	400
Cleveland...	2,855	15,659	21,450	35,450	—	5,000
St. Louis...	25,187	89,335	167,735	17,719	10,778	3,053
Peoria...	1,875	13,101	101,960	34,330	11,030	8,810
Duluth...	1,000	6,315	—	—	—	—
Total...	133,759	1,930,474	780,901	367,786	177,368	31,927
Previous week...	122,727	1,970,404	754,806	323,424	191,717	37,178
Corresponding week '74...	115,152	892,733	754,063	332,116	251,157	37,064
Same time 1874...	173	1,075,319	409,800	336,315	181,889	29,625
Same time 1875...	173	1,115,108	715,316	598,873	252,241	199,101
Same time 1876...	173	1,115,108	715,316	598,873	252,241	199,101
Same time 1877...	173	1,115,108	715,316	598,873	252,241	199,101
Same time 1878...	173	1,115,108	715,316	598,873	252,241	199,101
Same time 1879...	173	1,115,108	715,316	598,873	252,241	199,101
Same time 1880...	173	1,115,108	715,316	598,873	252,241	199,101
Same time 1881...	173	1,115,108	715,316	598,873	252,241	199,101
Same time 1882...	173	1,115,108	715,316	598,873	252,241	199,101
Same time 1883...	173	1,115,108	715,316	598,873	252,241	199,101
Same time 1884...	173	1,115,108	715,316	598,873	252,241	199,101
Same time 1885...	173	1,115,108	715,316	598,873	252,241	199,101
Same time 1886...	173	1,115,108	715,316	598,873	252,241	199,101
Same time 1887...	173	1,115,108	715,316	598,873	252,241	199,101
Same time 1888...	173	1,115,108	715,316	598,873	252,241	199,101
Same time 1889...	173	1,115,108	715,316	598,873	252,241	199,101
Same time 1890...	173	1,115,108	715,316	598,873	252,241	199,101

SHIPMENTS OF FLOUR AND GRAIN from lake ports for the past four weeks and from Jan. 1 to Dec. 4, inclusive, for four years:

	Flour, bbls.	Wheat, bush.	Corn, bush.	Oats, bush.	Barley, bush.	Rye, bush.
Dec. 4, '75...	136,363	879,361	713,364	253,471	45,373	7,050
Nov. 27, '75...	141,022	1,412,173	505,494	234,113	61,131	19,105
Nov. 20, '75...	167,908	2,008,400	748,395	379,721	81,415	15,341
Nov. 13, '75...	170,895	2,540,805	1,196,530	808,523	62,668	31,140
Jan. 1 to date...	5,093,844	57,030,819	41,763,377	18,789,253	2,343,139	8,902
Same time 1874...	5,422,352	59,711,900	43,541,993	16,394,510	2,378,898	8,942,186
Same time 1875...	5,906,909	54,799,170	49,289,373	20,913,721	2,931,783	1,314,286
Same time 1876...	4,406,917	30,354,109	36,199,216	13,445,945	5,322,316	1,171,233

RECEIPTS OF FLOUR AND GRAIN AT SEABOARD PORTS FOR THE WEEK ENDING DEC. 4, 1875, AND FROM JAN. 1 TO DEC. 4:

	Flour, bbls.	Wheat, bush.	Corn, bush.	Oats, bush.	Barley, bush.	Rye, bush.
At—						
New York...	135,734	1,090,145	291,325	360,308	154,197	14,638
Boston...	43,637	8,754	119,758	70,382	44,754	1,615
Portland...	10,300	—	10,350	5,600	—	—
Montreal...	9,800	—	—	2,800	—	—
Philadelphia...	24,150	85,900	138,400	48,300	50,500	1,000
Baltimore...	29,596	62,600	185,600	11,300	—	200
New Orleans...	22,969	—	103,415	63,464	—	—
Total...	276,436	1,219,189	948,758	550,754	252,451	17,553
Previous week...	254,234	3,059,355	569,029	774,337	622,092	11,811
Corresponding week '74...	289,497	745,628	746,117	949,919	160,749	22,085
Total Jan. 1 to date...	3,186,551	32,705,194	53,334,256	19,577,313	4,777,070	47,643
Same time 1874...	10,166,646	60,585,465	49,445,836	19,461,363	3,454,816	914,859
Same time 1875...	9,016,955	46,363,290	46,681,499	21,198,113	3,173,632	1,094,272
Same time 1876...	7,310,181	23,955,470	10,980,982	21,317,644	5,084,953	506,619

THE VISIBLE SUPPLY OF GRAIN, comprising the stock in granary at the principal points of accumulation at lake and seaboard ports, in transit by rail, frozen in on the New York canals and on the lakes, Dec. 4, 1875:

	Wheat, bush.	Corn, bush.	Oats, bush.	Barley, bush.	Rye, bush.
In store at New York +...	5,878,036	816,962	1,252,005	305,861	99,908
In store at Albany...	—	4,500	38,000	258,000	15,000
In store at Buffalo...	3,552,359	2,412,132	269,562	155,559	27,191
In store at Chicago...	1,531,531	291,570	365,080	391,099	189,732
In store at Milwaukee...	1,892,060	23,398	34,502	149,632	4,833
In store at Duluth...	51,495	—	—	—	—
In store at Toledo...	487,859	217,291	224,037	64,670	1,058
In store at Detroit...	137,069	20,001	41,611	—	—
In store at Oswego...	490,000	125,000	65,000	259,000	10,000
In store at St. Louis...	704,090	106,353	124,538	120,728	34,493
In store at Peoria...	7,745	33,304	83,715	3,573	97,732
In store at St. Paul...	1,430	79,300	284,600	72,141	99,732
In store at Toronto...	238,151	500	5,800	65,970	2,510
In store at Montreal...	396,312	88,314	10,301	6,031	—
In store at Philadelphia...	300,000	275,000	110,000	65,000	13,800
In store at Baltimore...	7,500	90,905	70,000	22,500	1,500
Rail shipments...	414,197	678,193	224,477	43,673	7,050
Lake shipments...	485,170	135,171	87,994	1,780	—
On New York canals...	1,050,000	818,000	800,000	255,000	25,765
Total...	16,464,258	3,436,233	3,531,713	2,325,299	465,290
Nov. 27, 1875...	15,762,136	3,354,260	3,411,799	2,308,373	399,478
Dec. 5, 1874...	11,671,521	4,014,175	2,629,500	2,434,822	197,038

* Estimated. † Stock afloat in New York not included.

THE DRY GOODS TRADE.

FRIDAY, P. M., Dec. 10, 1875.

This week there has been a continued slow movement in nearly all descriptions of domestic goods from first hands, and foreign fabrics have been with few exceptions emphatically dull. Jobbing sales are almost entirely restricted to such small lots of assorted merchandise as are usually required at this time of the year for replenishing retailers' stocks. For export few new transactions were reported, but liberal shipments were made—chiefly to Liverpool—on account of orders placed some time ago, and New England manufacturers have still orders on hand for probably 10,000 to 12,000 packages of brown cottons, &c., for export. For conversion purposes fair quantities of low grade cassi

